

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

**THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.**

All enquiries concerning the Rights Issue with Free Warrants should be addressed to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends this Rights Issue with Free Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue with Free Warrants. A copy of this Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents"), has also been lodged with the Registrar of Companies, who takes no responsibility for the contents of these Documents.

Approval for this Rights Issue with Free Warrants has been obtained from our shareholders at our EGM held on 22 December 2023. Approval has also been obtained from Bursa Securities via its letter dated 27 April 2023 for the admission of the Warrants to the Official List as well as the listing of and quotation for the Rights Shares, Warrants as well as new Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities. The listing of and quotation for the Rights Shares and Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have been duly credited with the Rights Shares and Warrants allotted to them and notices of allotment have been despatched to them. However, the approval from Bursa Securities for the admission of the Warrants to the Official List of Bursa Securities as well as the listing of and quotation for the Rights Shares, Warrants as well as new Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities are not to be taken as an indication of the merits of the Rights Issue with Free Warrants.

The Documents are only despatched to Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on Monday, 25 March 2024. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Free Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Free Warrants would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) should note the additional terms and restrictions as set out in Section 10.11 of this Abridged Prospectus. Our Company, our Principal Adviser, Underwriter and other professional advisers shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of the entitlements to the Rights Shares with Free Warrants made by the Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 OF THIS ABRIDGED PROSPECTUS.**



**ICONIC WORLDWIDE BERHAD**

Registration No. 196901000067 (8386-P)  
(Incorporated in Malaysia)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 1,124,706,544 NEW ORDINARY SHARES IN ICONIC WORLDWIDE BERHAD ("ICONIC") ("ICONIC SHARE(S)" OR "SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF 2 RIGHTS SHARES FOR EVERY 1 EXISTING SHARE HELD AS AT 5.00 P.M. ON MONDAY, 25 MARCH 2024 AT THE ISSUE PRICE OF RM0.085 PER RIGHTS SHARE, TOGETHER WITH UP TO 749,804,362 FREE DETACHABLE WARRANTS IN ICONIC ("WARRANTS") ON THE BASIS OF 2 WARRANTS FOR EVERY 3 RIGHTS SHARES SUBSCRIBED BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ("RIGHTS ISSUE WITH FREE WARRANTS")**

*Principal Adviser and Underwriter*



**M&A SECURITIES SDN BHD**

Registration No. 197301001503 (15017-H)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**IMPORTANT RELEVANT DATES AND TIME:**

Entitlement Date	: Monday, 25 March 2024 at 5.00 p.m.
Last date and time for sale of Provisional Allotments	: Tuesday, 2 April 2024 at 5.00 p.m.
Last date and time for transfer of Provisional Allotments	: Thursday, 4 April 2024 at 4.30 p.m.
Last date and time for acceptance and payment	: Friday, 12 April 2024 at 5.00 p.m.
Last date and time for excess application and payment	: Friday, 12 April 2024 at 5.00 p.m.

**This Abridged Prospectus is dated 25 March 2024**

*All terms and abbreviations herein shall have the same meaning as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.*

**RESPONSIBILITY STATEMENTS**

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH FREE WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

M&A SECURITIES SDN BHD, BEING THE PRINCIPAL ADVISER AND UNDERWRITER FOR THIS RIGHTS ISSUE WITH FREE WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH FREE WARRANTS.

**STATEMENT OF DISCLAIMER**

THE VALUATION UTILISED FOR THE PURPOSE OF THE ACQUISITION SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SECURITIES COMMISSION MALAYSIA, ON THE VALUE OF THE SUBJECT LAND.

**OTHER STATEMENTS**

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS SHOULD NOTE THAT THEY MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THE ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH FREE WARRANTS, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH FREE WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

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## **DEFINITIONS**

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**EXCEPT WHERE THE CONTEXT OTHERWISE REQUIRES, THE FOLLOWING DEFINITIONS AND ABBREVIATIONS SHALL APPLY THROUGHOUT THIS ABRIDGED PROSPECTUS, NPA AND RSF:**

“Abridged Prospectus”	: This Abridged Prospectus issued by Iconic dated 25 March 2024 in relation to the Rights Issue with Free Warrants
“Acquisition”	: Acquisition of the Sale Shares from the Vendors for the Purchase Consideration
“Act”	: Companies Act 2016
“Board”	: Board of Directors of Iconic
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
“Bursa Securities”	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
“BYG” or “Independent Expert”	: BYG Architecture Sdn Bhd, being the independent expert appointed to opine on the process of the rezoning application for the Subject Land in relation to the Acquisition, the letter of opinion dated 1 March 2024 by BYG was included in the Abridged Prospectus to allow the Entitled Shareholders to assess the risk related to the rezoning process
“CAGR”	: Compound annual growth rate
“CDS Account(s)”	: Central depository system account(s), which is/are a securities account(s) established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of depositors of securities and for dealings in such securities by the depositor
“Circular”	: The circular to shareholders of Iconic dated 7 December 2023 in relation to the Rights Issue with Free Warrants, Acquisition and Exemption
“Closing Date”	: Friday, 12 April 2024 at 5.00 p.m., being the last date and time for the acceptance and payment for the Rights Shares and the Excess Rights Shares with Warrants
“CMSA”	: Capital Markets and Services Act, 2007
“Constitution”	: Constitution of our Company
“COVID-19”	: Coronavirus Disease 2019
“Creeping Threshold”	: Acquisition of more than two per cent of the voting shares or voting rights of a company in any period of 6 months by an acquirer holding over 33.00% but not more than 50.00% of the voting shares or voting rights of the company
“Deed Poll”	: Deed Poll dated 11 March 2024 constituting the Warrants

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**DEFINITIONS (*cont'd*)**

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“Directors”	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity, within the meaning of Section 2(1) of the Act and Section 2(1) of the CMSA
“Documents”	:	Collectively, this Abridged Prospectus and the accompanying NPA and RSF
“e-RSF”	:	Electronic RSF
“e-Subscription”	:	Electronic subscription of the Rights Shares with Warrants via the Share Registrar’s TIIH Online website at <a href="https://tiih.online/">https://tiih.online/</a>
“EGM”	:	Extraordinary general meeting
“Entitled Shareholders”	:	Shareholders of Iconic whose names appear in the Record of Depositors of Iconic on the Entitlement Date
“Entitlement Date”	:	At 5.00 p.m on Monday, 25 March 2024, being the time and date which the Entitled Shareholders must appear in the Record of Depositors of Iconic in order to be entitled to participate in the Rights Issue with Free Warrants
“EPS”	:	Earnings per Share
“Exercise Period”	:	Any time during the tenure of the Warrants of 5 years including and commencing from the issue date of the Warrants
“Excess Rights Share(s) with Warrant(s)”	:	Rights Share(s) together with Warrant(s) which are not taken up or not validly taken up by the Entitled Shareholder(s) and/or their renounee(s) and/or transferee(s) (if applicable) prior to the Closing Date
“Exemption”	:	Exemption under subparagraph 4.08(1)(b) and 4.08(1)(c) of the Rules to Dato’ Seri Tan Kean Tet and the PACs from the obligation to undertake the Mandatory Offer
“FPE”	:	Financial period ended/ending, where relevant
“FYE”	:	Financial year ended/ending, where relevant
“GDP”	:	Gross domestic product
“Goldenluck”	:	Goldenluck Development Sdn Bhd (Registration No. 201101016938 (945074-A))
“Government”	:	Government of Malaysia
“Henry Butcher” or “Valuer”	:	Henry Butcher Malaysia (Penang) Sdn Bhd
“Iconic” or “Company”	:	Iconic Worldwide Berhad (Registration No. 196901000067 (8386-P))
“Iconic Group” or “Group”	:	Iconic and its subsidiaries, collectively

## **DEFINITIONS (cont'd)**

"IGSB"	:	Iconic Group Sdn Bhd (Registration No. 201201012642 (986159-M)), being a private company owned by Dato' Seri Tan Kean Tet (Executive Chairman and major shareholder of Iconic Group) and Tan Cho Chia (Managing Director and substantial shareholder of Iconic Group) and having no other association with Iconic Group
"IGSB Group"	:	IGSB and its subsidiaries and related companies
"Iconic Share(s)" or "Share(s)"	:	Ordinary share(s) in Iconic
"IMR" or "Providence"	:	Providence Strategic Partners Sdn Bhd (Registration No. 201701024744 (1238910-A))
"IMR Report"	:	Independent market research report on the property development, PPE and tourism industry in Malaysia prepared by the IMR dated 11 March 2024
"Index"	:	FTSE Bursa Malaysia Kuala Lumpur Composite Index
"Issue Price"	:	The issue price of RM0.0850 per Rights Share
"km"	:	Kilometres
"LAT"	:	Loss after tax
"LBT"	:	Loss before taxes
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	29 February 2024, being the latest practicable date prior to the issuance of this Abridged Prospectus
"LPS"	:	Loss per Share
"M&A Securities" or "Principal Adviser" or "Underwriter"	:	M&A Securities Sdn Bhd (Registration No. 197301001503 (15017-H))
"Main Market"	:	Main Market of Bursa Securities
"Mandatory Offer"	:	The obligation of Dato' Seri Tan Kean Tet and the PACs under paragraph 4.01 of the Rules and subsection 218(2) of the CMSA to undertake a mandatory take-over offer on the remaining Iconic Shares not already owned by them, pursuant to: <ul style="list-style-type: none"> <li>(a) the subscription of the Rights Shares (including the excess Rights Shares) by Dato' Seri Tan Kean Tet and his PAC pursuant to the Undertakings; and</li> <li>(b) the exercise of the Warrants held by Dato' Seri Tan Kean Tet and his PAC into new Iconic Shares during the tenure of the Warrants</li> </ul>

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**DEFINITIONS (*cont'd*)**

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“MARGMA”	:	Malaysian Rubber Glove Manufacturers Association
“Market Day(s)”	:	A day on which the stock market of Bursa Securities is open for trading of securities
“Maximum Proceeds”	Gross :	Maximum gross proceeds of up to RM95.60 million to be raised under the Maximum Scenario under the Rights Issue with Free Warrants
“Maximum Subscription Level”	:	The issuance of 1,124,706,544 Rights Shares with 749,804,362 Warrants assuming the Entitled Shareholders and/or their renounee(s) and/or transferee(s), where applicable, subscribe in full for their respective entitlements of the Rights Shares pursuant to the Rights Issue with Free Warrants
“Maximum Scenario”	:	Assuming that the Rights Issue with Free Warrants is undertaken on the Maximum Subscription Level
“MCO”	:	Movement control order
“MIDA”	:	Malaysian Investment Development Authority
“Minimum Proceeds”	Gross :	Minimum gross proceeds of up to RM60.00 million to be raised under the Minimum Scenario under the Rights Issue with Free Warrants
“Minimum Subscription Level”	:	Minimum subscription level via the issuance of 705,882,353 Rights Shares at the Issue Price with 470,588,235 Warrants to raise minimum gross proceeds of RM60.0 million from the Rights Issue with Free Warrants which is derived from the Undertakings and Underwriting
“Minimum Scenario”	:	Assuming that the Rights Issue with Free Warrants is undertaken on the Minimum Subscription Level derived from the Undertakings and Underwriting and no other Entitled Shareholders and/or their renounees(s) and/or transferee(s) will subscribe for the Rights Issue with Free Warrants
“MITI”	:	Ministry of International Trade and Industry
“Modern Rewards”	:	Modern Rewards Sdn Bhd (Registration No. 200501007576 (684623-U))
“NA”	:	Net assets
“NPA”	:	Notice of provisional allotment of Rights Shares with Free Warrants
“NTP”	:	National Tourism Policy
“Official List”	:	The official list of the Main Market of Bursa Securities
“Original Proposals”	:	Collectively, the Acquisition, Rights Issue with Free Warrants, Exemption and Proposed Set-off

**DEFINITIONS (cont'd)**

"PAC(s)"	:	Persons acting in concert with Dato' Seri Tan Kean Tet for the purpose of the Exemption, pursuant to subsection 216(3) of the CMSA, namely Iconic Development Sdn Bhd, Iconic Land Sdn Bhd, Iconic Landmark Sdn Bhd, Iconic Sdn Bhd, Iconic Group Sdn Bhd, Iconic Global Sdn Bhd, Goldenluck, Lucky 888 Sdn Bhd, Lucky 18 Sdn Bhd, Modern Rewards, Iconic Hotel Sdn Bhd, Legacy 888 Sdn Bhd, Iconic Penang Sdn Bhd, Kean Lye Shen Sdn Bhd, Goh Swan Hua, Tan Kian Soo, Tan Ah Boh, Tan Ah Hiang, Tan Seok Ying, Tan Seok Fang, Tan Cho Chia and Tan Cho Chuan
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"PPE"	:	Personal protective equipment
"Proposals"	:	Collectively, the Acquisition, Rights Issue with Free Warrants and Exemption
"Proposed Set-Off"	:	Proposed set-off of the Purchase Consideration against the subscription monies payable by Dato' Seri Tan Kean Tet and Modern Rewards pursuant to the Undertakings
"Provisional Allotments"	:	Rights Shares with Free Warrants provisionally allotted to the Entitled Shareholders
"Purchase Consideration"	:	Cash consideration of RM39.80 million for the Acquisition
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Depository under the Rules of Bursa Depository
"Registered Entitled Shareholders"	:	Entitled Shareholders who are registered user of TIIH Online
Rights Issue with Free Warrants	:	Renounceable rights issue of up to 1,124,706,544 Rights Shares on the basis of 2 Rights Shares for every 1 existing Share held, together with up to 749,804,362 Warrants on the basis of 2 Warrants for every 3 Rights Shares subscribed by the Entitled Shareholders on the Entitlement Date
"Rights Share(s)"	:	Up to 1,124,706,544 new Iconic Share(s) to be issued pursuant to the Rights Issue with Free Warrants
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights subscription form in relation to the Rights Issue with Free Warrants
"Rules"	:	The Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
"Rules of Bursa Depository"	:	The Rules of Bursa Malaysia Depository
"Sale Share(s)"	:	200,000 ordinary shares in Goldenluck, representing 100% equity interest in Goldenluck

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**DEFINITIONS (cont'd)**

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"SC"	:	Securities Commission Malaysia
"Share Registrar"	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991
"Single Entity Concept"	:	The concept where in determining whether a person has incurred a mandatory offer obligation, the SC will have regard to the holdings of persons who are subject to his statutory control as set out in Note (4) to paragraph 4.01 of the Rules
"SPA"	:	Conditional share purchase agreement dated 19 September 2022 entered into by Iconic with the Vendors for the Acquisition
"sq m"	:	Square metres
"Subject Land"	:	A parcel of freehold vacant land measuring 6.07 hectares held by Goldenluck under Geran 59034, Lot No. 7685, Mukim 13, District of Timor Laut, State of Pulau Pinang
"TEAP"	:	Theoretical ex-all price
"TERP"	:	Theoretical ex-rights price
"TIIH Online"	:	Share Registrar's proprietary application to facilitate Entitled Shareholders to subscribe for the Provisional Allotments and to apply for the Excess Rights Shares electronically
"Undertakings"	:	The written irrevocable and unconditional undertakings dated 19 September 2022 from the Undertaking Shareholders to apply and subscribe in full for their entitlement of Rights Shares and additional Rights Shares not taken up by other Entitled Shareholders and/or their renounce(s) by way of excess Rights Shares application, to the extent such that the aggregate subscription proceeds of the Rights Shares received by our Company are at least RM40.0 million
"Underwriting"	:	Underwriting of the remaining 235,294,118 Rights Shares of which no irrevocable and unconditional undertaking has been obtained
"Underwriting Agreement"	:	Underwriting agreement dated 8 March 2024 entered into between our Company and the Underwriter for the underwriting of the remaining 235,294,118 Rights Shares of which no irrevocable and unconditional undertaking has been obtained
"Undertaking Shareholders"	:	Collectively, Dato' Seri Tan Kean Tet, and Modern Rewards
"Valuation Certificate"	:	The valuation certificates issued by the Valuer dated 3 June 2022, 10 February 2023, 2 August 2023 and 29 January 2024 on the Subject Land for the purpose of the Acquisition



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**DEFINITIONS (cont'd)**

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- "Vendors" : Collectively, Dato' Seri Tan Kean Tet (being the Executive Chairman and major shareholder of Iconic) and Tan Seok Ying (being the Executive Director of Iconic)
- "Warrants" : Up to 749,804,362 free detachable warrant(s) to be issued pursuant to the Rights Issue with Free Warrants
- "Warrants Exercise Price" : RM0.07, being the exercise price at which 1 Warrant is exercisable into 1 new Iconic Share, subject to adjustments in accordance with the provisions of the Deed Poll
- "5D-VWAMP" : 5-day volume weighted average market price

In this Abridged Prospectus, all references to "we", "us", "our" and "ourselves" are to our Company and save where the context otherwise requires, our subsidiaries. All references to "you" in this Abridged Prospectus are to our Entitled Shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Unless otherwise stated and wherever applicable, the amounts represented in this Abridged Prospectus have been rounded to the nearest whole cent, for ease of reference.

Any reference in this Abridged Prospectus to any statute, guideline, listing requirement or enactment shall be a reference to such statute, guideline, listing requirement or enactment for the time being in force or as amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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**TABLE OF CONTENTS**

	<b>Page</b>
<b>ADVISERS' DIRECTORY</b>	
<b>SUMMARY OF THE RIGHTS ISSUE WITH FREE WARRANTS</b>	
<b>LETTER TO OUR SHAREHOLDERS CONTAINING:</b>	
<b>1. INTRODUCTION</b>	<b>1</b>
<b>2. PARTICULARS OF THE RIGHTS ISSUE WITH FREE WARRANTS</b>	<b>3</b>
2.1 Details of the Rights Issue with Free Warrants	3
2.2 Basis and justification of determining the Issue Price and Warrants Exercise Price	4
2.3 Ranking of the Rights Shares and new Iconic Shares to be issued arising from the exercise of Warrants	5
2.4 Salient terms of the Warrants	6
2.5 Undertakings and underwriting arrangements	9
<b>3. DETAILS OF OTHER CORPORATE EXERCISES</b>	<b>16</b>
3.1 Details of the Acquisition	16
3.2 Details of the Exemption	25
<b>4. RATIONALE FOR THE RIGHTS ISSUE WITH FREE WARRANTS</b>	<b>29</b>
<b>5. UTILISATION OF PROCEEDS</b>	<b>30</b>
5.1 Proceeds raised from the Rights Issue with Free Warrants	30
5.2 Proceeds to be raised from the exercise of Warrants	33
<b>6. RISK FACTORS</b>	<b>34</b>
6.1 Risks relating to the Acquisition	34
6.2 Risks relating to our business	35
6.3 Risks relating to our industry	36
6.4 Risks relating to the Rights Issue with Free Warrants	36
<b>7. INDUSTRY OVERVIEW AND PROSPECTS</b>	<b>38</b>
7.1 Overview and outlook of the Malaysian economy	39
7.2 Overview and outlook of the property development industry	39
7.3 Overview and outlook of the PPE industry	42
7.4 Overview and outlook of the tourism industry	43
7.5 Prospects of our Group	45

**TABLE OF CONTENTS (cont'd)**

<b>8.</b>	<b>EFFECTS OF THE ACQUISITION AND RIGHTS ISSUE WITH FREE WARRANTS</b>	<b>48</b>
8.1	Share capital	48
8.2	Substantial shareholders' shareholdings	49
8.3	Losses and LPS	52
8.4	Convertible securities	52
8.5	NA and gearing	53
<b>9.</b>	<b>WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS</b>	<b>55</b>
9.1	Working capital and sources of liquidity	55
9.2	Borrowings	55
9.3	Material commitments	55
9.4	Contingent liabilities	56
9.5	Material transactions	56
<b>10.</b>	<b>INSTRUCTIONS FOR ACCEPTANCE, SALE/TRANSFER, PAYMENT AND EXCESS APPLICATION</b>	<b>56</b>
10.1	General	56
10.2	NPA	56
10.3	Last date and time of acceptance and payment	57
10.4	Methods of acceptance and application	57
10.5	Procedure for full acceptance and payment	57
10.6	Procedure for part acceptance	64
10.7	Procedure for sale or transfer of Provisional Allotments	64
10.8	Procedure for acceptance by renounee(s) and/or transferee(s)	65
10.9	Procedure for excess application	65
10.10	Form of issuance	67
10.11	Laws of foreign jurisdictions	67
<b>11.</b>	<b>TERMS AND CONDITIONS</b>	<b>70</b>
<b>12.</b>	<b>FURTHER INFORMATION</b>	<b>70</b>
<b>APPENDICES</b>		
<b>I</b>	<b>INFORMATION ON OUR GROUP</b>	<b>71</b>
<b>II</b>	<b>INFORMATION ON GOLDENLUCK</b>	<b>86</b>
<b>III</b>	<b>PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH REPORTING ACCOUNTANTS' LETTER</b>	<b>89</b>
<b>IV</b>	<b>VALUATION CERTIFICATE ON THE SUBJECT LAND</b>	<b>108</b>
<b>V</b>	<b>LETTER OF OPINION BY BYG</b>	<b>123</b>

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**ADVISERS' DIRECTORY**

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**COMPANY SECRETARIES****: Tricor Corporate Services Sdn Bhd****Lim Choo Tan**

(SSM Practicing Certificate No. 202008000713)  
(LS 0008888)

**Chew Siew Cheng**

(SSM Practicing Certificate No. 202008001179)  
(MAICSA 7019191)

Suite A, Level 9, Wawasan Open University  
54, Jalan Sultan Ahmad Shah  
10050 Penang

Telephone number: 04-2296 318

**PRINCIPAL ADVISER AND  
UNDERWRITER****: M&A Securities Sdn Bhd**

Level 3 and 7, No. 45 & 47  
The Boulevard  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

Telephone number: 03-2284 2911

**SOLICITORS****: Zaid Ibrahim & Co**

51-22-B&C, Menara BHL  
Jalan Sultan Ahmad Shah  
10050 Penang

Telephone number: 04-375 3100

**SHARE REGISTRAR****: 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

Telephone number: 03-2783 9299

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**ADVISERS' DIRECTORY (cont'd)**

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<b>REPORTING AUDITORS</b>	<b>ACCOUNTANTS AND :</b>	<b>Ecovis Malaysia PLT (AF 001825)</b>  No. 9-3, Jalan 109F Plaza Danau 2 Taman Danau Desa 58100 Kuala Lumpur  Telephone number: 03-7981 1799  Partner's name: Chua Kah Chun <i>(Chartered Accountant, Fellow of the Association of Chartered Certified Accountants and Member of the Malaysian Institute of Accountants)</i> Approved number: 02696/09/2025 J
<b>INDEPENDENT MARKET RESEARCHER</b>	<b>:</b>	<b>Providence Strategic Partners Sdn Bhd</b>  67-1, Block D, Jaya One No. 72A, Jalan Prof Diraja Ungku Aziz 46200 Petaling Jaya Selangor, Malaysia  Telephone number: 03-7625 1769  Executive Director's name: Elizabeth Dhoss <i>(Bachelor of Business Administration from the University of Malaya, Malaysia)</i>
<b>VALUER</b>		<b>Henry Butcher Malaysia (Penang) Sdn Bhd</b>  142-M, Jalan Burma, 10050 Penang, Malaysia  Telephone number: 04-229 8999  Director's name: Teoh Poh Huat <i>(Chartered Surveyor and Registered Valuer)</i>
<b>INDEPENDENT EXPERT</b>		<b>BYG Architecture Sdn Bhd</b>  12-A Arratoon Road, 10050 Penang, Malaysia  Telephone number: 04-228 8852  Director's name: Michael Ong Chin Keong <i>(Chartered Surveyor and Registered Valuer)</i>
<b>STOCK EXCHANGE LISTING</b>	<b>:</b>	Main Market of Bursa Securities

## SUMMARY OF THE RIGHTS ISSUE WITH FREE WARRANTS

**THIS SUMMARY OF THE RIGHTS ISSUE WITH FREE WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THE ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.**

Information	Summary
Summary	<p>Basis of the Rights Issue with Free Warrants : 2 Rights Shares for every 1 Iconic Share held, together with 2 Warrants for every 3 Rights Shares subscribed</p> <p>Number of Rights Shares and Warrants : Up to 1,124,706,544 Rights Shares and 794,804,362 Warrants</p> <p>Amount to be raised under the Rights Issue with Free Warrants : (i) RM60.00 million under the Minimum Scenario via the issuance of 705,882,353 Rights Shares with 470,588,235 Warrants at the Issue Price; and (ii) RM95.60 million under the Maximum Scenario via the issuance of 1,124,706,544 Rights Shares with 749,804,362 Warrants at the Issue Price.</p>

The Rights Issue with Free Warrants will be undertaken on the Minimum Subscription Level which is derived from the Undertakings and Underwriting. Further details are set out in **Section 2.1** of this Abridged Prospectus.

Pricing	<p><u>Issue price of the Rights Shares</u> Our Board has fixed the issue price of the Rights Shares at RM0.085 each.</p> <p><u>Warrants Exercise Price</u> Our Board has fixed the exercise price of the Warrants at RM0.070 each. Further details are set out in <b>Section 2.2</b> of this Abridged Prospectus.</p>
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Undertakings and underwriting arrangements	<p><u>Undertakings</u> The Undertaking Shareholders have provided irrevocable written undertakings to subscribe for their respective entitlements and excess applications of 470,588,235 Rights Shares of RM40.00 million.</p> <p><u>Underwriting arrangements</u> The Underwriter have entered into the Underwriting Agreement with our Company to underwrite 235,294,118 Rights Shares amounting to RM20.00 million under the Rights Issue with Free Warrants.</p>
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	Existing shareholdings as at the LPD		Total subscription/underwriting	Direct shareholdings after the Rights Issue with Free Warrants	
	No. of Iconic Shares	%	No. of Iconic Shares	No. of Iconic Shares	%
Dato' Seri Tan Kean Tet	52,639,154	9.36	335,706,259	388,345,413	30.62
Modern Rewards	57,324,840	10.19	134,881,976	192,206,816	15.16
Underwriter	-	-	235,294,118	235,294,118	18.55
<b>Total</b>	<b>109,963,994</b>	<b>19.55</b>	<b>705,882,353</b>	<b>815,846,347</b>	<b>64.33</b>

Further details are set out in **Section 2.5** of this Abridged Prospectus.

Rationale	The Rights Issue with Free Warrants is a more appropriate method of raising funds, after taking into account, amongst others, the issuance of Rights Shares would enable our Group to secure funding of at least RM60.00 million under the Minimum Scenario to fund the Purchase Consideration for the Acquisition.
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**SUMMARY OF THE RIGHTS ISSUE WITH FREE WARRANTS (cont'd)**

**Information**

**Summary**

Utilisation of proceeds The details of the utilisation of gross proceeds are as follows:

Details	Minimum Scenario		Maximum Scenario		Expected timeframe for utilisation from listing of Rights Shares
	RM'000	%	RM'000	%	
Acquisition	39,800	66.33	39,800	41.63	Within 12 months
Repayment of bank borrowings	12,386	20.65	37,680	39.41	Within 24 months
Working capital (i.e. staff related cost and purchase of raw materials)	6,314	10.52	16,620	17.39	Within 24 months
Estimated expenses for the Proposals	1,500	2.50	1,500	1.57	Within 1 month
<b>Total</b>	<b>60,000</b>	<b>100.00</b>	<b>95,600</b>	<b>100.00</b>	

Further details are set out in **Section 5** of this Abridged Prospectus.

Risk factors You should carefully consider the following risk factors before subscribing for or investing in the Rights Issue with Free Warrants:

- (a) There is no assurance that the rezoning application of the Subject Land in relation to the Acquisition will be approved by the state authority and failure in obtaining the said approval will affect the implementation of the residential development project which will materially affect profitability of our Group.

The Acquisition approved by the shareholders at the EGM will be implemented in accordance to the terms and conditions of the SPA. The Entitled Shareholders who subscribed to the Rights Issue with Free Warrants will still hold the additional Shares they subscribed, but if the Subject Land cannot be developed due to failure of rezoning, the potential profits and value that would have justified the additional Shares issuance may not materialise. This could result in a dilution of the value of their original investment, as the expected benefits from the development may not be realised. Further, the shareholdings of shareholders who did not participate in the Rights Issue with Free Warrants will be diluted by the Rights Shares issued and subscribed by other Entitled Shareholders;

- (b) We are dependent on the demand and supply factors of the real estate market; and  
(c) We are subject to the changes in political, economic and regulatory conditions in Malaysia.

Further details are set out in **Section 6** of this Abridged Prospectus.

Procedures for acceptance and payment You may subscribe for the Provisional Allotments as well as apply for Excess Rights Shares with Warrants, if you choose to do so, using either of the following methods:

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
e-Subscription	All Entitled Shareholders

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for each application method in **Section 10**.

The last day, date and time for acceptance of and payment for the Provisional Allotments and Excess Rights Shares with Warrants is on Friday, 12 April 2024 at 5.00 p.m., being the Closing Date.



**ICONIC WORLDWIDE BERHAD**  
Registration No. 196901000067 (8386-P)  
(Incorporated in Malaysia)

**Registered Office:**

No. 1-2, Jalan Icon City  
Icon City  
14000 Bukit Mertajam  
Penang

25 March 2024

**Board of Directors:**

Dato' Seri Tan Kean Tet (*Executive Chairman*)  
Tan Cho Chia (*Managing Director*)  
Tan Seok Ying (*Executive Director*)  
Jason Chung Wei Chiun (*Executive Director*)  
Leow Chan Khiang (*Independent Non-Executive Director*)  
Chia Yuet Yoong (*Independent Non-Executive Director*)  
Lee Eng Eow (*Independent Non-Executive Director*)

**To: The Entitled Shareholders**

Dear Sir/Madam,

**RIGHTS ISSUE WITH FREE WARRANTS**

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**1. INTRODUCTION**

On 19 September 2022, M&A Securities had, on behalf of our Board, announced that our Company had on the same date proposes to undertake the Original Proposals.

On 15 December 2022, M&A Securities had, on behalf of our Board, announced that our Company had resolved to revise the Original Proposals after taking into account inter-alia the intention of the Vendors to receive the Purchase Consideration in cash, as follows:

<b>No</b>	<b>Original Proposals</b>	<b>Revised Proposals</b>
(i)	Acquisition	Payment of the Purchase Consideration will be settled fully in cash and shall not be effected by way of the Proposed Set-Off under any circumstances. All other terms remain unchanged.
(ii)	Rights Issue with Free Warrants	Remain unchanged
(iii)	Exemption	Remain unchanged
(iv)	Proposed Set-Off	Aborted



On 28 April 2023, M&A Securities had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 27 April 2023, granted its approval for the following:

- (i) admission of the Warrants to the Official List;
- (ii) listing and quotation for up to 1,124,706,544 Rights Shares and up to 749,804,362 Warrants pursuant to the Rights Issue with Free Warrants on the Main Market of Bursa Securities; and
- (iii) listing and quotation for up to 749,804,362 new Iconic Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities.

The approval of Bursa Securities is subject to the following conditions:

<b>No.</b>	<b>Conditions</b>	<b>Status of compliance</b>
(a)	Iconic and M&A Securities must fully comply with the relevant provisions under the Listing Requirement pertaining to the implementation of the Rights Issue with Free Warrants;	To be complied
(b)	Iconic and M&A Securities are required to inform Bursa Securities upon completion of the Rights Issue with Free Warrants;	To be complied
(c)	Iconic and M&A Securities are required to provide a written confirmation that the terms of the Warrants are in compliance with paragraph 6.54(3) of the Listing Requirements;	To be complied
(d)	Iconic is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Free Warrants is completed; and	To be complied
(e)	Iconic is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

On 4 December 2023, M&A Securities, on behalf of our Board, announced that after taking into consideration the relevant facts and circumstances, Bursa Securities has vide its letter dated 4 December 2023 resolved to grant our Company the following:

- (i) a further extension of time until 15 December 2023 to comply with paragraph 9.33(1)(b) of the Listing Requirements in relation to the issuance of the Circular; and
- (ii) an extension of time until 26 April 2024 to comply with paragraph 6.62(1) of the Listing Requirements to complete the implementation of the Rights Issue with Free Warrants.

On 22 December 2023, our shareholders had approved the Proposals at the EGM. Subsequently on the same date, M&A Securities, on behalf of our Board, announced that our Board has fixed the issue price of the Rights Shares at RM0.085 per Rights Share and the exercise price of the Warrants at RM0.070 per Warrant.

On 24 January 2024, M&A Securities, on behalf of our Board, announced that the SC had vide its letter dated 23 January 2024, approved the application in relation to the Exemption under subparagraphs 4.08(1)(b) and 4.08(1)(c) of the Rules.

On 8 March 2024, M&A Securities, on behalf of our Board, announced the Entitlement Date and the other relevant dates pertaining to the Rights Issue with Free Warrants. On the even date, M&A Securities had on behalf of our Board, announced that our Company and M&A Securities had on 8 March 2024, entered into the Underwriting Agreement.

On 11 March 2024, M&A Securities, on behalf of our Board, announced the execution of the Deed Poll by our Company.

No person is authorised to give any information or make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Free Warrants and if given or made, such information or representation must not be relied upon as having been authorised by M&A Securities or us.

**YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS WHICH SETS OUT THE DETAILS AND RISK FACTORS ASSOCIATED WITH THE RIGHTS ISSUE WITH FREE WARRANTS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

## **2. PARTICULARS OF THE RIGHTS ISSUE WITH FREE WARRANTS**

### **2.1 Details of the Rights Issue with Free Warrants**

As at the LPD, our Company has an issued share capital of RM148,392,603 comprising 562,353,272 Iconic Shares.

The Rights Issue with Free Warrants entails the issuance of up to 1,124,706,544 Rights Shares together with up to 749,804,362 Warrants at the Issue Price on the basis of 2 Rights Shares for every 1 existing Iconic Share held by the Entitled Shareholders on the Entitlement Date together with 2 Warrants for every 3 Rights Shares subscribed.

The basis of 2 Rights Shares for every 1 Iconic Share held, together with 2 Warrants for every 3 Rights Shares subscribed for was arrived at after taking into consideration, among others, the following:

- (i) the amount of proceeds to be raised which is to be utilised for the purposes set out in Section 5 of this Abridged Prospectus; and
- (ii) Paragraph 6.50 of the Listing Requirements requires that the number of new Shares which will arise from the exercise or conversion of all outstanding convertible equity securities, does not exceed 50% of the total number of issued Shares of our Company (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

The Rights Issue with Free Warrants will be undertaken on the Minimum Subscription Level to raise minimum gross proceeds of RM60.0 million which is derived from the Undertakings and Underwriting. Based on the Minimum Subscription Level, 705,882,353 Rights Shares and 470,588,235 Warrants will be issued pursuant to the Rights Issue with Free Warrants.

The maximum number of Rights Shares and Warrants to be issued under the Rights Issue with Free Warrants is derived based on the existing number of issued share capital of Iconic,

assuming Maximum Subscription Level. Based on the Maximum Subscription Level, 1,124,706,544 Rights Shares and 749,804,362 Warrants will be issued pursuant to the Rights Issue with Free Warrants raising total gross proceeds of RM95.6 million based on the Issue Price. The actual number of Rights Shares and Warrants to be issued will depend the eventual subscription level for the Rights Issue with Free Warrants. For avoidance of doubt, as at the LPD, Iconic does not have any treasury shares or convertible securities.

As you are an Entitled Shareholder and the Rights Shares are prescribed securities, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Free Warrants. You will find enclosed in this Abridged Prospectus, an NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and a RSF which is to be used for the acceptance of the Provisional Allotments, and for the application of any Excess Rights Shares with Warrant under excess application, should you wish to do so. You may also subscribe for such Provisional Allotments and Excess Rights Shares with Warrants via e-Subscription in accordance with the instructions as set out in Section 10.5.2 of this Abridged Prospectus.

Only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by the Entitlement Date will receive this Abridged Prospectus, together with the NPA and RSF.

The Warrants are attached to the Rights Shares without any cost, and shall only be issued to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who subscribe for the Rights Shares. The Warrants are exercisable into new Iconic Shares and each Warrant will entitle the Warrant holder to subscribe for 1 new Iconic Share at the Warrants Exercise Price. The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants will be issued in registered form and constituted by the Deed Poll. The salient terms of the Warrants are set out in Section 2.4 of this Abridged Prospectus.

Any dealing in our securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights Shares with Free Warrants will be credited directly into the respective CDS Accounts of the successful applicants. No physical share or warrant certificates will be issued but notices will be despatched to the successful applicants of the Rights Shares with Free Warrants.

The Rights Issue with Free Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders can subscribe for and/or renounce their entitlements to the Rights Shares in full or in part. However, the Rights Shares and Free Warrants cannot be renounced separately. As such, the Entitled Shareholders who renounce all of their Rights Shares entitlements will not be entitled to the Free Warrants attached thereto. If the Entitled Shareholders accept only part of their Rights Shares entitlements, they shall be entitled to the Free Warrants in proportion of their acceptance to the Rights Shares entitlements. The Rights Shares and Warrants which are not taken up or invalidly taken up shall be made available for excess applications by the Entitled Shareholders and/or their renounee(s) and/or transferee(s).

The Rights Shares, Warrants and new Shares to be issued pursuant to the exercise of the Warrants will be listed on the Main Market.

## **2.2 Basis and justification of determining the Issue Price and Warrants Exercise Price**

### **(i) Rights Shares**

Our Board has fixed the Issue Price at RM0.085 per Rights Share, which represents a discount of 11.46% (based on the Minimum Subscription Level) and 6.59% (based on the Maximum Subscription Level) to the TERP of Iconic Shares of RM0.096 and RM0.091,

calculated based on the 5D-VWAMP of up to 21 December 2023 (being the last trading day prior to the price fixing date of 22 December 2023) of RM0.131.

The Issue Price was fixed after taking into consideration the following:

- (a) the funding requirements of our Group as set out in Section 5.1 of this Abridged Prospectus;
- (b) the TERP of Iconic Shares based on the 5D-VWAMP of Iconic Shares up to and including 21 December 2023 of RM0.131; and
- (c) the rationale for the Rights Issue with Free Warrants as set out in Section 4 of this Abridged Prospectus.

The Issue Price was considered by our Board as reasonable in terms of the discount percentage, so as to encourage subscription by Entitled Shareholders and/or their renounce(s) and/or transferee(s), so that the funding objectives as set out in Section 5.1 may be met.

## **(ii) Warrants**

Our Board has fixed the Warrants Exercise Price at RM0.070 per Warrant, which represents a discount of approximately 27.08% (based on Minimum Subscription Level) and 23.08% (based on the Maximum Subscription Level) to the TERP of Iconic Shares of RM0.096 and RM0.091 respectively, calculated based on the 5D-VWAMP of Iconic Shares up to and including 21 December 2023 (being the last trading day prior to the price fixing date of 22 December 2023) of RM0.131.

The Warrants Exercise Price was fixed after taking into consideration the discount to TERP of Iconic Shares based on the 5D-VWAMP of Iconic Shares up to and including 21 December 2023 of RM0.131.

The discount is given to enhance the attractiveness of the Warrants which may act as a sweetener for the subscription of the Rights Shares. The Warrants are attached to the Rights Shares without any cost and will be issued in proportion to the Rights Shares subscribed by the Entitled Shareholders.

## **2.3 Ranking of the Rights Shares and the new Iconic Shares to be issued arising from the exercise of the Warrants**

The Rights Shares and the new Iconic Shares to be issued pursuant to the exercise of the Warrants, shall upon allotment and issuance, rank *pari passu* in all respects with the then existing Iconic Shares in issue, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the Rights Shares and the new Iconic Shares to be issued pursuant to the exercise of the Warrants.

**[ The rest of this page is intentionally left blank ]**

## 2.4 Salient terms of the Warrants

The salient terms of the Warrants are as follows:

<b>Terms</b>	<b>Details</b>
Issuer	: Iconic
Issue Size	: Up to 749,804,362 Warrants to subscribe for up to 749,804,362 new Iconic Shares, to be issued at no consideration to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) pursuant to the Rights Issue with Free Warrants.
Detachability	: The Warrants are immediately detachable upon allotment and issue of the Rights Shares. The Warrants will be traded separately.
Warrants Exercise Price	: RM0.070 per Warrant  The basis of determining the Warrants Exercise Price is set out in Section 2.2(ii) above. The Warrants Exercise Price and the number of outstanding Warrants shall however be subject to the adjustments in accordance with the terms and provisions of the Deed Poll during the Exercise Period.
Exercise Period	: The Warrants may be exercised any time during the tenure of the Warrants of 5 years including and commencing from the issue date of the Warrants until 5.00 p.m. on the expiry date. Any Warrants not exercised during the Exercise Period will thereafter lapse and become void.
Exercise Rights	: Each Warrants entitles the registered holder to subscribe for 1 new Iconic Share at the Warrants Exercise Price during the Exercise Period and shall be subject to adjustments in accordance with the Deed Poll.
Deed Poll	: The Warrants will be constituted by the Deed Poll.
Board Lot	: The Warrants are tradeable upon listing in board lots of 100 units carrying rights to subscribe for 100 new Iconic Shares at any time during the Exercise Period or such denomination as determined by Bursa Securities.
Modification	: Amendment to this Deed Poll must be effected by a supplemental Deed Poll, and to be executed by our Company and expressed to be supplemental; and a special resolution passed by the Warrant holders. However, Iconic may, without the consent of the Warrant holders effect any modification to the Warrants or the Deed Poll, which in its opinion is not materially prejudicial to the interest of the Warrants holders; or to correct a manifest error or to comply with mandatory provisions of Malaysian law.

<b>Terms</b>	<b>Details</b>
Ranking of new Iconic Shares to be issued pursuant to the exercise of Warrants	: The new Iconic Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the then existing Iconic Shares in issue save and except that they shall not be entitled to any dividends, rights, allotments and/or distributions, the entitlement date of which is prior to the date of allotment of the new Iconic Shares to be issued pursuant to the exercise of the Warrants.
Rights in the event of winding-up, liquidation, compromise and/or arrangement	: Where a resolution has been passed for a member's voluntary winding up of our Company or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies, then: <ul style="list-style-type: none"> <li>(a) for the purpose of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation) to which the Warrant holders, or some persons designated by them for such purposes by a Special Resolution, will be a party, the terms of such winding-up, compromise or arrangement will be binding on all the Warrants holders; and</li> <li>(b) In any other case, every Warrants holder will be entitled to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the Exercise Rights represented by that Warrants to the extent specified in the exercise forms and be entitled to receive out of the assets of our Company which would be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company will give effect to such election accordingly.</li> </ul>
Listing	: The Warrants and new Iconic Shares to be issued pursuant to the exercise of the Warrants will be listed on the Main Market of Bursa Securities.
Adjustments in the Warrants Exercise Price and/or number of Warrants	: Subject to the provisions in the Deed Poll, the Warrants Exercise Price and the number of Warrants held by each Warrant holder may be adjusted by the Board in consultation with an adviser and the certification of the external auditors of Iconic, in the event of alteration to the share capital and/or issued shares of our Company.
Rights of the Warrant holders	: The Warrants holders are not entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid.  The Warrants holders are not entitled to any voting rights in any general meeting of our Company or to participate in any distribution and/or offer of securities in our Company until and unless such holders of the Warrants exercise their Warrants into new Iconic Shares.

<b>Terms</b>	<b>Details</b>
Further Issues	: Subject to the provision in the Deed Poll, our Company is free to issue shares to shareholders either for cash or as a bonus distribution and further subscription of rights upon such terms and conditions as our Company sees fit but the Warrants holders will not have any participating rights in such issue unless the Warrants holder becomes a shareholder by exercising his/her Exercise Rights or otherwise resolved by our Company in a general meeting.
Governing Laws	: Laws of Malaysia.

**[ The rest of this page is intentionally left blank ]**

## 2.5 Undertakings and underwriting arrangements

### 2.5.1 Undertakings

The Rights Issue with Free Warrants is intended to be undertaken on the Minimum Subscription Level, which has been determined by our Board after taking into consideration the following:

- (a) the minimum funding requirements of RM60.00 million that our Group intends to raise from the Rights Issue with Free Warrants that will be channelled towards the proposed utilisation as set out in Section 5 of this Abridged Prospectus;
- (b) the Undertakings secured from Dato' Seri Tan Kean Tet and Modern Rewards of RM40.00 million to apply and subscribe in full for their respective entitlements of the Rights Shares and Excess Rights Shares with Warrants; and
- (c) the Underwriting.

In order to meet the Minimum Subscription Level, our Company has procured the Undertakings from Dato' Seri Tan Kean Tet and Modern Rewards to apply and subscribe in full for their respective entitlements of the Rights Shares and Excess Rights Shares with Warrants to the extent such that the aggregate subscription proceeds of the Rights Shares received by our Company are at least RM40.0 million. Pursuant to the Undertakings, Dato' Seri Tan Kean Tet and Modern Reward undertake to subscribe at least RM28,535,032 and RM11,464,968 worth of Rights Shares, respectively. The details of the Undertakings are as follows:

	Undertakings										Direct shareholdings after the Rights Issue with Free Warrants	
	Existing shareholdings as at the LPD		Entitlement under the Rights Issue with Free Warrants		Excess Rights Shares and Warrants to be subscribed pursuant to the Undertakings <sup>(3)</sup>		Total subscription		Amount (RM)			No. of Iconic Shares (4)%
	No. of Iconic Shares (1)%	(2)%	No. of Rights Shares	No. of Warrants	No. of Rights Shares	No. of Warrants	No. of Rights Shares	No. of Warrants	No. of Rights Shares	No. of Warrants		
Dato' Seri Tan Kean Tet	52,639,154	9.36	105,278,308	70,185,539	230,427,951	20.49	153,618,634	335,706,259	223,804,173	28,535,032	388,345,413	30.62
Modern Rewards	57,324,840	10.19	114,649,680	76,433,120	20,232,296	1.80	13,488,197	134,881,976	89,921,317	11,464,968	192,206,816	15.16



**Notes:**

- (1) Based on the issued share capital of 562,353,272 Shares as at the LPD.
- (2) Based on the total number of 1,124,706,544 Rights Shares to be issued.
- (3) Based on the Issue Price of RM0.085, a total of 470,588,235 number of Rights Shares are required to be subscribed by the Undertaking Shareholders. Taking into consideration the 105,278,308 and 114,649,680 Rights Shares entitled by Dato' Seri Tan Kean Tet and Modern Rewards, respectively, a balance of 230,427,951 and 20,232,296 excess Rights Shares are required to be subscribed by Dato' Seri Tan Kean Tet and Modern Rewards, respectively.
- (4) Based on the issued capital of 1,268,235,625 Shares after the Rights Issue with Free Warrants based on the Minimum Subscription Level.
- (5) Not inclusive of Shares held under the joint account opened by Dato' Seri Tan Kean Tet and Tan Cho Chia via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local).

The abovementioned Undertaking Shareholders have confirmed via the Undertakings that they have sufficient financial resources to fulfil their respective Undertakings. The said Undertakings has been verified by M&A Securities, being the Principal Adviser for the Rights Issue with Free Warrants. The Undertakings shall subsist and remain irrevocable unless and until (i) our Company expressly and in writing discharges and/or releases the Undertaking Shareholders from the Undertakings or (ii) the completion of the Rights Issue with Warrants, whichever is earlier.

The Undertakings may result in the following:

- (i) the individual shareholdings of Dato' Seri Tan Kean Tet in Iconic will potentially increase from approximately 11.92% to 31.76% of the enlarged issued share capital pursuant to the subscription of the Rights Shares and subsequently to 36.03% upon exercise of Warrants into new Iconic Shares during the Exercise Period under the Minimum Scenario;
- (ii) the direct shareholdings of Dato' Seri Tan Kean Tet in Iconic (including his shareholdings held via Legacy 888 Sdn Bhd pursuant to the Single Entity Concept) will potentially increase from approximately 13.34% to 32.39% of the enlarged issued share capital of Iconic pursuant to the subscription of the Rights Shares and subsequently to 36.49% upon exercise of Warrants into new Iconic Shares during the Exercise Period under the Minimum Scenario;
- (iii) the collective shareholdings of Dato' Seri Tan Kean Tet and the PACs in Iconic may potentially increase to above 33.00% of the enlarged issued share capital of Iconic (i.e. from 26.33% to 48.78% of the enlarged issued share capital of Iconic pursuant to the subscription of the Rights Shares and subsequently to:
  - (a) 50.78% upon exercise of 51,630,000 Warrants into new Iconic Shares which triggered the Creeping Threshold under the Minimum Scenario (being the acquisition\* of more than 2.00% of the voting shares or voting rights of a company in any period of 6 months by an acquirer

holding over 33.00% but not more than 50.00% of the voting shares or voting rights of the company) and incur a mandatory offer obligation; and

\* Pursuant to Note (10) to paragraph 4.01 of the Rules, the exercise of any conversion or subscription rights or options is deemed an acquisition of voting shares or voting rights for the purposes of determining if a mandatory offer obligation has been triggered.

- (b) 53.62% upon full exercise of 313,725,490 Warrants into new Iconic Shares during the Exercise Period (under the Minimum Scenario) and incur a mandatory offer obligation;

**Note:**

The scenario for (iii)(a) illustrates the minimum shareholding level of Dato' Seri Tan Kean Tet and the PACs which will trigger the Creeping Threshold as a result of exercise of 51,630,000 Warrants. The scenario for (iii)(b) illustrates the maximum potential shareholding level of Dato' Seri Tan Kean Tet and the PACs as a result of full exercise of 313,725,490 Warrants.

- (iv) the collective shareholdings of Dato' Seri Tan Kean Tet and the PACs in Iconic may potentially increase to above 33.00% of the enlarged issued share capital of Iconic (i.e. from 26.33% to 34.05%) upon exercise of Warrants into new Iconic Shares assuming only Dato' Seri Tan Kean Tet and the PACs in Iconic fully exercise their Warrants under the Maximum Scenario.

Premised on the above, Dato' Seri Tan Kean Tet and the PACs (including Modern Rewards) will be obligated to undertake a Mandatory Offer. However, it is not their intention to undertake a mandatory take-over offer pursuant to the Undertakings as a result of the Rights Issue with Free Warrants. In this regard, an exemption from the SC under subparagraph 4.08(1)(b) and 4.08(1)(c) of the Rules to exempt Dato' Seri Tan Kean Tet and the PACs (including Modern Rewards) from the obligation to undertake a Mandatory Offer has been sought from the SC, after obtaining the approval for the Exemption from our non-interested shareholders, by way of poll, at the EGM held on 22 December 2023. The SC had subsequently vide its letter dated 23 January 2024, approved the application in relation to the Exemption.

## 2.5.2 Underwriting arrangement

Our Company had entered into the Underwriting Agreement with the Underwriter to underwrite 235,294,118 Rights Shares, amounting to approximately RM20.00 million, representing approximately 33.3% of the Rights Shares available for subscription under the Minimum Scenario, or 20.9% of the total number of 1,124,706,544 Rights Shares available for subscription under the Maximum Scenario.

The underwriting commission payable by our Company is RM0.35 million (which represents approximately 1.75% of the underwritten value) and all related costs in relation to the underwriting arrangement will be fully borne by our Company from the proceeds of the Rights Issue with Free Warrants.

For the avoidance of doubt, the Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if any) (excluding the Underwriter), shall be given priority and shall first be allocated with all the excess Rights Shares and Warrants applied for, if any. Upon completion of such allocation, the Underwriter shall only then apply and be allocated for any remaining number of unsubscribed Rights Shares and Warrants.

In accordance to the Underwriting Agreement, the Underwriter may at any time on or before the Closing Date, terminate its underwriting commitment on any of the following grounds:

- (i) in the reasonable opinion of the Underwriter, there shall have been such a change in national or international monetary, financial, political or economic conditions or exchange control or currency exchange rates that would materially prejudice the success of the Rights Issue with Free Warrants or the value of the price of the Rights Issue; or
- (ii) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Underwriter (including but not limited to, acts of government, strikes, national disorder, declaration of a state of emergency, lockouts, fire, explosion, flooding, landslide, civil commotion, hurricanes/typhoons, tsunami, widespread diseases, acts of war, sabotage, acts of God etc) which would have, or can reasonably be expected to have, a material adverse effect on the business or the operations of our Company or the success of the Rights Issue with Free Warrants, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (iii) there shall be the imposition of any moratorium, suspension or material restriction on trading in all securities generally on Bursa Securities which would materially prejudice the success of the Rights Issue with Free Warrants; or
- (iv) there shall be any development, occurrence or any change or prospective change in or any introduction or prospective introduction of any legislation, regulation, policy, directive, guideline, ruling or any request or interpretation by the SC, or any other regulatory authority, whether or not having the force of law, or occurrence of any other nature, which will materially and adversely affect our Company and the success of the Rights Issue with Free Warrants, the business and/or prospects of our Group, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (v) there is any government requisition or occurrence of any other nature which materially and adversely affects or will materially and adversely affect the business and/or financial position of our Group; or
- (vi) the Index is, at the close of normal trading on Bursa Securities, on any Market Day:
  - (a) on or after the date of the Underwriting Agreement; and
  - (b) prior to the allotment of the Rights Shares, lower than ninety percent (90%) of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least three (3) Market Days;or
- (vii) there is any breach by our Company of any of the representations, warranties and undertakings set forth in the Underwriting Agreement, therein, which materially and adversely affects the success of the Rights Issue with Free Warrants, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (viii) there is any failure on the part of our Company to perform any of its obligations under the Underwriting Agreement; or

- (ix) there is any withholding by our Company of any information of a material nature from the Underwriter which will have or may reasonably be expected to have a material and adverse effect on the success of the Rights Issue with Free Warrants, the business and/or prospects of our Group, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (x) there is any material and adverse change to the business and/or financial position of our Company and/or our Group; or
- (xi) any commencement of legal proceedings or action against any member of our Group or any of their directors, which would have or is likely to have a material and adverse effect on the success of the Rights Issue with Free Warrants, the business and/or prospects of our Group, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (xii) approval for the Rights Issue with Free Warrants is withdrawn, modified and/or subject to terms and conditions not acceptable to the Underwriter; or
- (xiii) the Closing Date is more than five (5) calendar months from the date of the Underwriting Agreement or any later date as our Company and the Underwriter may mutually agree upon, the Underwriting Agreement will automatically lapse without the requirement for any notice in writing to be given to such effect and the Underwriter will be released and discharged from its obligations; or
- (xiv) if Bursa Securities or any other relevant authority issues an order pursuant to Malaysian laws such as to make it, impracticable to enforce contracts to allot and transfer the Rights Shares; or
- (xv) any material statement contained in this Abridged Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect; or
- (xvi) the placement arrangement has been terminated or rescinded in accordance with its terms; or
- (xvii) any other event which will have or is likely to have a material and adverse effect on the success of the Rights Issue with Warrants, the business and/or prospects of our Group, or which is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

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### 2.5.3 Public shareholding spread

The Undertakings are not expected to result in any breach in the public shareholding spread requirement by our Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed corporation must ensure that at least 25.00% of its total listed shares (excluding treasury shares, if any) are in the hands of public shareholders. The pro forma public shareholding spread of our Company under the Minimum Subscription Level is illustrated as below:

	As at the LPD		After the Rights Issue with Free Warrants	
	No. of Shares	%	No. of Shares	%
Share capital	562,353,272	100.00	1,268,235,625	100.00
Less: Shareholdings of Directors and substantial shareholders of our Group, and their associates	<sup>(1)</sup> (148,072,394)	(26.33)	<sup>(2)</sup> (618,660,629)	(48.78)
Less: Shareholders holding less than 100 shares each	(274)	negligible	(274)	negligible
<b>Public shareholdings spread</b>	<b>414,280,604</b>	<b>73.67</b>	<b>649,574,722</b>	<b>51.22</b>

#### Notes:

(1) The shareholdings of Directors and substantial shareholders of our Group, and their associates as follows:

Shareholders	Relationship with Company	No. of ordinary shares held	%
Dato' Seri Tan Kean Tet	Executive Chairman and major shareholder	52,639,154	9.36
Modern Rewards	Major shareholder and associate of Dato' Seri Tan Kean Tet	57,324,840	10.19
Joint account opened by Dato' Seri Tan Kean Tet and Tan Cho Chia via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local)	Substantial shareholders and associate of Dato' Seri Tan Kean Tet and Tan Cho Chia	28,838,100	5.13

<b>Shareholders</b>	<b>Relationship with Company</b>	<b>No. of ordinary shares held</b>	<b>%</b>
Legacy 888 Sdn Bhd	Associate of Dato' Seri Tan Kean Tet	7,970,300	1.42
Tan Cho Chia	Managing Director and substantial shareholder	1,300,000	0.23
<b>Total</b>		<b>148,072,394</b>	<b>26.33</b>

(2) The shareholdings of Directors and substantial shareholders of our Group, and their associates as follows:

<b>Shareholders</b>	<b>Relationship with Company</b>	<b>No. of ordinary shares held</b>	<b>%</b>
Dato' Seri Tan Kean Tet	Executive Chairman and major shareholder	388,345,413	30.62
Modem Rewards	Major shareholder and associate of Dato' Seri Tan Kean Tet	192,206,816	15.16
Joint account opened by Dato' Seri Tan Kean Tet and Tan Cho Chia via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local)	Substantial shareholders and associate of Dato' Seri Tan Kean Tet and Tan Cho Chia	28,838,100	2.27
Legacy 888 Sdn Bhd	Associate of Dato' Seri Tan Kean Tet	7,970,300	0.63
Tan Cho Chia	Managing Director and substantial shareholder	1,300,000	0.10
<b>Total</b>		<b>618,660,629</b>	<b>48.78</b>

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### 3. DETAILS OF OTHER CORPORATE EXERCISES

The Rights Issue with Free Warrants, Acquisition and Exemption are inter-conditional upon each other.

#### 3.1 Details of the Acquisition

The Acquisition entails the acquisition of the Sale Shares by Iconic, representing 100% equity interest in Goldenluck from the Vendors for the Purchase Consideration, subject to the terms and conditions of the SPA.

Pursuant to the terms of the SPA, the Vendors have agreed to sell and Iconic has agreed to purchase the Sale Shares free from all claims, liens, charges and encumbrances and with full legal and beneficial title and with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date.

Iconic will pay the Purchase Consideration to the Vendors in accordance to their respective proportion, as illustrated in the following manner:

<b>Vendors</b>	<b>Number of ordinary shares in Goldenluck</b>	<b>%</b>	<b>Cash consideration (RM)</b>
Dato' Seri Tan Kean Tet	190,000	95.00	37,810,000.00
Tan Seok Ying	10,000	5.00	1,990,000.00
<b>Total</b>	<b>200,000</b>	<b>100.00</b>	<b>39,800,000.00</b>

The payment of the Purchase Consideration shall be effected by crediting for same day value the account as specified by the Vendors by way of telegraphic transfer unless the respective Vendors by written notice to Iconic, not later than 3 business days prior to the due date for payment, elects to be paid by cashier's order or banker's draft drawn on any licensed bank in Malaysia.

The Acquisition is deemed as a related-party transaction pursuant to Paragraph 10.08 of the Listing Requirements. Dato' Seri Tan Kean Tet (Executive Chairman) and Tan Seok Ying (Executive Director) are the Vendors of the Sale Shares under the Acquisition.

The Acquisition was approved by our shareholders at the EGM convened on 22 December 2023. As at the LPD, the Acquisition is pending fulfilment of the following condition precedent before Iconic and the Vendors could proceed with the completion of the Acquisition as well as the payment of the Purchase Consideration by Iconic to the Vendors:

- (i) the approval, sanction and/or consent of any other relevant authorities or parties required to be obtained by the Iconic for the Proposals (excluding the Exemption), which as at the LPD refers to the registration of this Abridged Prospectus by the SC.

The Acquisition is a related party transaction under Paragraph 10.08 of the Listing Requirements in view of the interests of the followings:

- (i) Dato' Seri Tan Kean Tet, the Executive Chairman and a Major Shareholder of Iconic, is also a director and substantial shareholder of Goldenluck. He is the father of Tan Seok Ying and Tan Cho Chia. He is the father-in-law of Jason Chung Wei Chiun;
- (ii) Tan Cho Chia is the Managing Director of Iconic. He is the son of Dato' Seri Tan Kean Tet and brother of Tan Seok Ying;
- (iii) Tan Seok Ying, the Executive Director of Iconic, is also a director and substantial shareholder of Goldenluck. She is the daughter of Dato' Seri Tan Kean Tet, spouse of Jason Chung Wei Chiun and sister of Tan Cho Chia;
- (iv) Jason Chung Wei Chiun, an Executive Director of Iconic is the spouse of Tan Seok Ying and son-in-law of Dato' Seri Tan Kean Tet; and

- (v) Modern Rewards, being a Major Shareholder of Iconic, is also the Undertaking Shareholder.

In view of the above and in compliance with Paragraph 10.08 of the Listing Requirements, MainStreet Advisers Sdn Bhd was appointed by our Company as the Independent Adviser to undertake the following in relation to the Acquisition:

- (i) comment as to whether the Acquisition is:
- (a) fair and reasonable so far as the non-interested shareholders of Iconic are concerned; and
  - (b) to the detriment of the non-interested shareholders of Iconic,
- and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion;
- (ii) advise the non-interested shareholders of Iconic on whether they should vote in favour of the Acquisition; and
- (iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to items (i) and (ii) above.

Additionally, pursuant to subparagraph 4.08(3) of the Rules, MainStreet Advisers Sdn Bhd was appointed by our Company as the Independent Adviser to the non-interested shareholders of our Company on the Exemption.

Kindly refer to Appendix I and Part B of the Circular for the salient terms of the SPA and the independent advise letter to non-interested shareholders of Iconic in relation to the Acquisition and Exemption, respectively.

### **3.1.1 Basis and justification of arriving at the Purchase Consideration**

The Purchase Consideration was arrived at on a willing buyer-willing seller basis and after taking into consideration the following:

- (i) the valuation of the Subject Land of RM45.70 million as ascribed by Henry Butcher;
- (ii) the audited NA of Goldenluck as at 30 June 2022 of approximately RM44.25 million; and
- (iii) the prospects of the Subject Land as set out in Section 7.5 of this Abridged Prospectus.

In arriving at the market value of the Subject Land, the Valuer has adopted the Comparison Approach in the valuation of the Subject Land.

In accordance to paragraph 4.06 of the Asset Valuation Guidelines issued by the SC, at least 2 valuation approaches are to be adopted. However, the Valuer has only adopted the Comparison Approach in assessing the market value of the Subject Land after taking into consideration that the Subject Land comprises a parcel of vacant land without any development approval or approved layout plan by the local authority as at the date of the valuation.

The Comparison Approach entails analysing recent comparable transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, market condition, terrain, zoning, accessibility/visibility, size, tenure, shape and other relevant characteristics to arrive at the market value. However, there is no transaction of similar land in terms of zoning, terrain and size recorded in the same district as where the Subject Land is located in the past 7 years. Hence, for comparison purpose, the Valuer has considered 3 comparables with similar aspects as the Subject Land.

Please refer to Appendix IV of this Abridged Prospectus for the Valuation Certificate for the Subject Land.



### **3.1.2 Information on Goldenluck**

Goldenluck is a private limited company incorporated in Malaysia on 19 May 2011 and commenced operations on 25 May 2011. Goldenluck is principally involved in property investment and currently owns the Subject Land as its sole major asset. However, Goldenluck is currently dormant as it does not have any business activity during the FYE 30 June 2020 to FYE 30 June 2023.

Please refer to Appendix II of this Abridged Prospectus for further information on Goldenluck.

### **3.1.3 Information on the Subject Land**

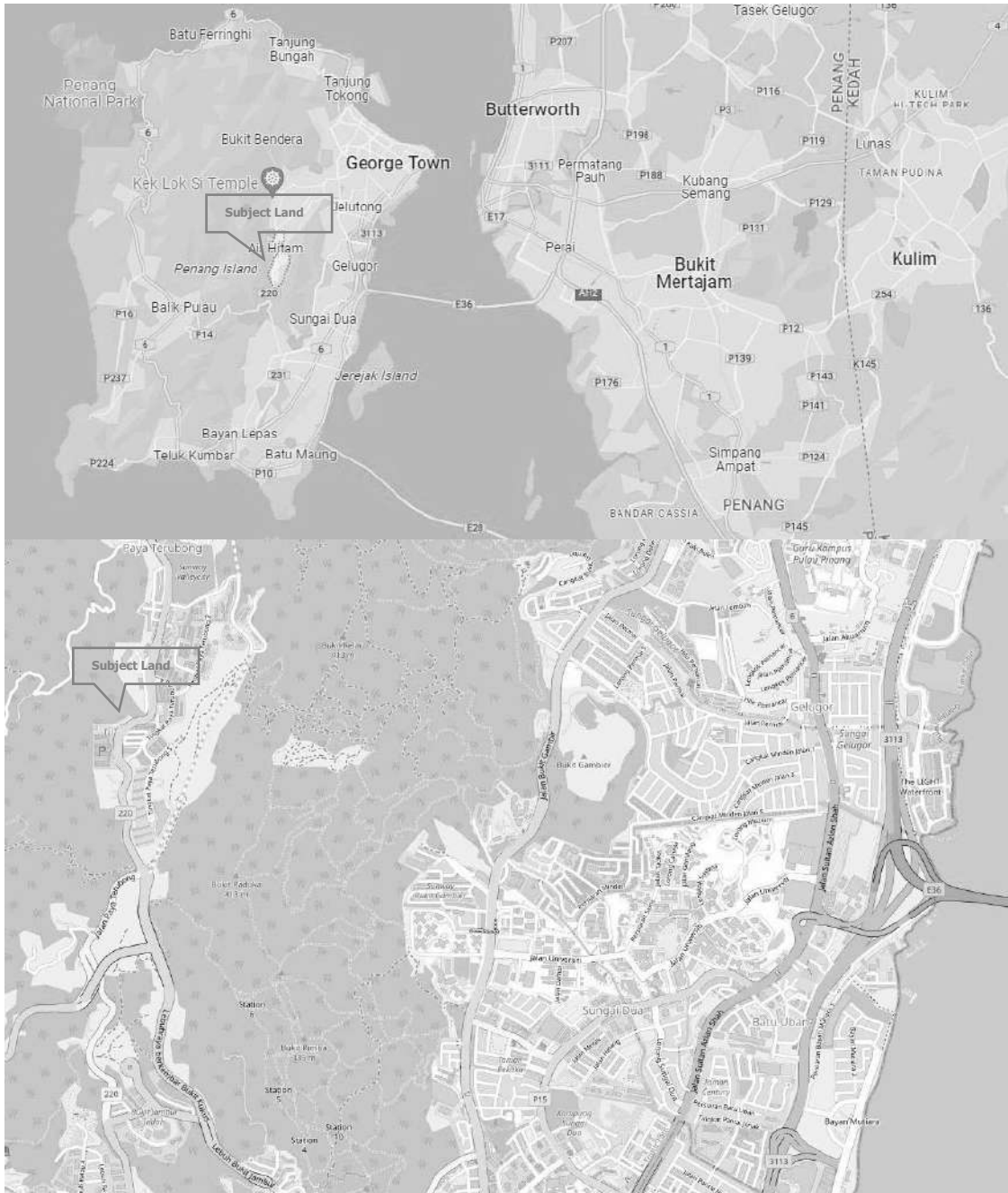
The Subject Land was an auction property acquired by Goldenluck on 25 May 2011 for a purchase consideration of RM4.0 million. The Subject Land comprises a parcel of freehold vacant land identified as Lot No. 7685, Mukim 13, District of Timor Laut, State of Pulau Pinang held under Geran 59034, measuring approximately 6.07 hectares (or 60,700 Sqm). According to the gazetted Rancangan Struktur Negeri Pulau Pinang 2030, it is zoned as a "Hutan" (forest) and located within the hill land above 76 metres elevation in the Penang Environmentally Sensitive Area which forms part of Rancangan Struktur Pulau Pinang 2030. It is sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong, in the locality of Paya Terubong on Penang Island. Goldenluck have not applied for rezoning for the Subject Land since they acquired the Subject Land in 2011.

The Subject Land is located within a short distance to the recently-completed Malaysia's highest elevated highway known as Bukit Kukus Paired Road. This section of Bukit Kukus Paired Road, connects Paya Terubong to Relau, having a length of approximately 3.825 km, was constructed and completed by Majlis Bandaraya Pulau Pinang (Penang Island City Council) in December 2021 and opened to traffic on 4 January 2022.

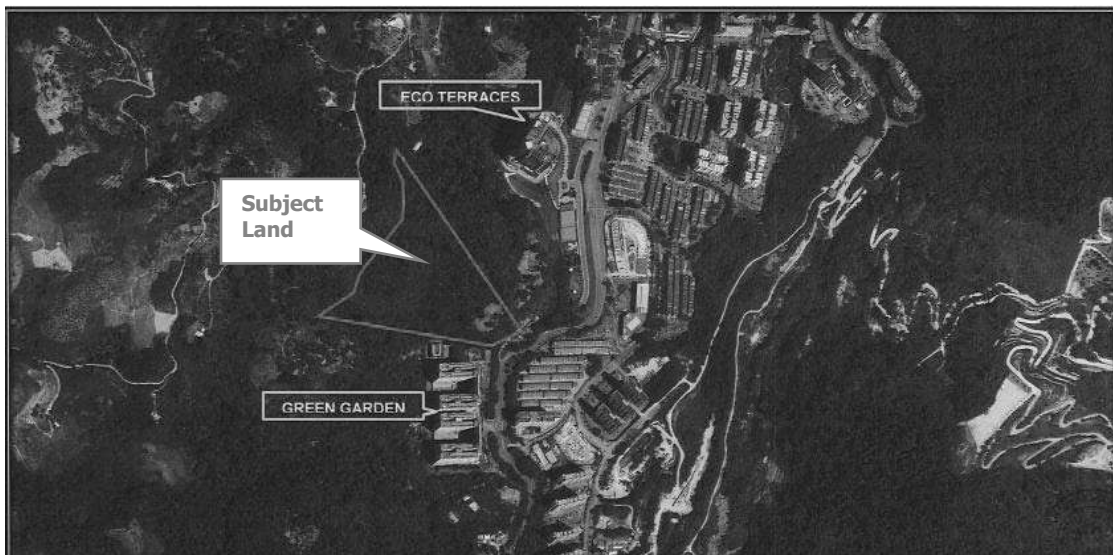
Prominent landmarks in the vicinity include Pasar & Kompleks Makanan Taman Terubong Jaya, Pine Valley Business Centre, Goldhill Complex, Petronas, Shell and Caltex petrol stations, United Hokkien Cemeteries Penang, EconSave Supermarket, Permata Sports Complex and Balai Bomba Dan Penyelamat Paya Terubong and the proposed Sunway Valley City by Sunway group.

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The location of the Subject Land is depicted in the map below:



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Further details of the Subject Land are summarised in the table below:

Particulars	Details
Lot No.	: 7685, Mukim 13, District of Timor Laut, State of Pulau Penang
Title particulars	: Geran 59034
Registered owner	: Goldenluck
Land area	: 6.07 hectares
Tenure	: Freehold
Category of land use	: Nil (as extracted from the title documents)
Express condition	: The Subject Land (First Grade): <ul style="list-style-type: none"> <li>(i) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and</li> <li>(ii) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;</li> </ul> <p>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).</p>
Restriction in interest	: Nil
Encumbrances	: Nil

Particulars	Details
Current use	: Vacant
Market value	: RM45,700,000 based on the valuation report prepared by the Valuer (date of valuation: 29 January 2024)
Audited net book value	: RM45,700,000 (based on the audited financial statements of Goldenluck for the FYE 30 June 2023)

(Source: Valuation Certificate of the Subject Land)

Our Company is in the midst of deliberating on the development plan for the Subject Land, and it is the Board's intention to undertake a residential development project on the Subject Land after the completion of the Acquisition. Iconic will be conducting feasibility studies to assess the risk-reward profile, prior to finalising the development plan for the Subject Land. Accordingly, our Company is unable to provide further details on the development and the eventual funding required to realise such future plan. Based on our Group's preliminary assessment on the Subject Land, our Group has decided to acquire the Subject Land as it is ideal for residential development after taking into consideration the location of the Subject Land and its close proximity to other residential properties, amenities, transportation links, schools and shopping centres. Prominent landmarks situated nearby include Pine Valley Business Centre, Goldhill Complex, petrol stations, supermarket, Permata Sports Complex and the proposed Sunway Valley City by Sunway group.

Notwithstanding that the Subject Land holds a First-Grade title, rezoning application for the Subject Land is required and it normally takes 6 to 9 months for approval. Upon obtaining approval of rezoning application, a rezoning premium will be imposed on the land owner. The premium to be paid is based on the difference of land value before and after rezoning approval multiply by 37.5%. Hence, the estimated cost of rezoning is approximately RM4.0 million – RM5.0 million. The estimated cost is not deemed to be material as compared to our Group's unaudited NA as at 31 December 2023 of RM161.95 million, and will be incorporated into the gross development cost of the development project. The cost will be funded by our Group's internally generated fund and bank borrowings and is not expected to affect our Group's operational or financial condition.

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The timeframe of the rezoning process is as follow:

<b>Timeframe</b>	<b>Milestones</b>	<b>Details</b>
T (being the date of submission of the application) <sup>(1)</sup>	Application to Department of Plan Malaysia Pulau Pinang	Submission of rezoning application, which typically includes a detailed description of the proposed change, reasons for the rezoning, type of development, layout plan and any required supporting documents, such as development proposal report (Laporan Cadangan Pemajuan).
T+4 months	Circulation to Technical Departments by Plan Malaysia Pulau Pinang	The submitted rezoning application will be reviewed by the Technical Department and other relevant government agencies. They will assess the proposal's compatibility with the surrounding area, adherence to the comprehensive land use plan, potential environmental impacts, traffic considerations, and community feedback.
T+7 months	Penang State Planning Committee Technical meeting	Meeting with the Penang State Planning Committee to address any technical concerns of the Penang State Planning Committee.
T+8 months	Penang State Planning Committee meeting	Meeting with the Penang State Planning Committee to address any outstanding concerns pursuant to the technical meeting of the Penang State Planning Committee and consider all aspects of the application prior to making decision.
T+9 months	Approval for rezoning	<ul style="list-style-type: none"> <li>Final decision will be made on the rezoning request after taking into consideration the recommendation, public input and all other relevant factors.</li> <li>After obtaining the rezoning approval, the developer may submit for Planning Application and Building Plan Application.</li> </ul>

**Note:**

<sup>(1)</sup> As at the LPD, our Group has yet to finalise the date of submission of the rezoning application.

The average timeframe for the rezoning process ranges from 5 to 6 months from the date of the submission of rezoning application.

The factors that could result in non-approval of the rezoning application include, but not limited to the following:

**(i) Negative impact on surrounding properties**

If the proposed rezoning could negatively impact the character, property values or quality of life of the neighbouring properties, the application may be rejected.

**(ii) Zoning incompatibility**

Rezoning decisions often aim to maintain a consistent and coherent pattern of land uses and zoning designations within an area. If the proposed rezoning does not fit within the existing zoning context, it might be rejected to prevent incompatible developments from disrupting the neighbourhood's functionality.

**(iii) Non-compliance to legal and technical requirements**

Rezoning application must adhere to legal and procedural requirements and zoning control. If an application fails to meet these criteria, it could be rejected on technical grounds. It is essential to ensure that the application fulfils all legal procedures to avoid the risk of non-approval.

**(iv) Height and density considerations**

Land designated as 'Hill land' may have restrictions on building height and density to minimize their impact on the surrounding environment. If the rezoning application seeks to exceed the maximum limit for building heights and residential densities, the rezoning application may be rejected due to safety concerns.

**(v) Slope stability and geotechnical concerns**

Land designated as 'Hill land' are often prone to issues like erosion, landslides and soil instability. If a rezoning application is unable to ensure the safety and stability of the development, the application could be rejected.

Subsequent to rezoning, planning permission must be obtained from the local authority before a development can be established. If the development proposal is in compliance to all terms and conditions imposed to the development, chances of approval of the development is likely. The following are other possibilities of non-approval of the development subsequent to rezoning:

**(i) Public objections or neighbouring objections lot owners leading to litigations and judgment against the development**

Public objections occur when the general public express reservations, complaints or opposition to a proposed development project. These objections can due to a variety of reasons, including concerns on the environmental impact, increased traffic and pollutions. There will be likelihood of neighbouring objections involving residents and owners of properties adjacent to or in close proximity to the proposed development site. These objections often focus on potential negative impacts toward their property values, quality of life, privacy and other areas impacting the neighbourhood. Neighbouring objections can also be related to concerns about overshadowing, loss of views and increased congestion. Residents and property owners who feel that their interests are being adversely affected may oppose the development project through legal avenues.

**(ii) Non-compliance of technical requirement in the rezoning application**

Non-compliance of technical requirement in the rezoning application include impacts to general public health, safety and welfare issues such as traffic safety concerns, social issue such as neighbourhood compatibility, burdens on infrastructure, impact on the local environmental, encroaching on sensitive areas and illegal use of land could result in non-approval of the rezoning application.

**(iii) The land is subjected to acquisition for public infrastructure**

Public infrastructure projects, such as highways, utilities and public facilities sometimes require the acquisition of private land by the Malaysian government. In such case, the Malaysian government has the authority to acquire private land for public use while just providing compensation to the land owners.

### 3.1.4 Information on the Vendors

#### (i) Dato' Seri Tan Kean Tet

Dato' Seri Tan Kean Tet, a Malaysian aged 62, is the Executive Chairman of Iconic. He is also the founder and chairman of IGSB Group, a property development group based in Penang. Dato' Seri Tan Kean Tet is the father of Tan Seok Ying.

He started his career in aquaculture 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 of IGSB Group into the hospitality sector in 2016. To-date, the IGSB Group has completed property development projects worth more than RM600.0 million in gross sales value.

#### (ii) Tan Seok Ying

Tan Seok Ying, a Malaysia aged 40, is the Executive Director of Iconic. She obtained her Bachelor of Accounting from Murdoch University, Perth, Australia in 2008. Tan Seok Ying is the daughter of Dato' Seri Tan Kean Tet.

She began her career as the Executive Director of IGSB Group. She is also the Human Resource, Accounting & Marketing Director of IGSB Group. Tan Seok Ying has accumulated more than 12 years of experience in the property development sector with direct involvement in various commercial, hotel and residential development projects mainly in Penang which includes Icon City, Iconic Hotel, Iconic Skies, Iconic Vue and Iconic Point. 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 is also the designated Chief Financial Officer for the PPE manufacturing business segment of our Group.

The original cost and date of investment by the Vendors in Goldenluck are as follows:

Name	Date of investment	No. of ordinary shares acquired	Consideration RM
Dato' Seri Tan Kean Tet	19 May 2011	1	1.00
Tan Seok Ying	19 May 2011	1	1.00
Dato' Seri Tan Kean Tet	15 September 2011	189,999	189,999.00
Tan Seok Ying	15 September 2011	9,999	9,999.00
<b>Total</b>		<b>200,000</b>	<b>200,000.00</b>

### 3.1.5 Source of funding of the Purchase Consideration

The Purchase Consideration, which will be paid on completion date, will be fully funded from the proceeds to be raised from the Rights Issue with Free Warrants.

### 3.1.6 Liabilities to be assumed

Save for the obligations and liabilities stated in and arising from, pursuant to or in connection with the SPA, there is no other liability, including any contingent liability or guarantee, to be assumed by our Company arising from the Acquisition.

### **3.1.7 Additional financial commitment**

Upon completion of the Acquisition, Iconic Group expects to incur additional financial commitment to develop the Subject Land which will include, amongst others, construction costs, infrastructure works, professional adviser fees and project management costs. For avoidance of doubt, the development costs for the Subject Land can only be determined after finalisation of the development plan. It is the Board's intention to undertake a residential development project on the Subject Land after the completion of the Acquisition. However, our Company is still unable to affirm the details of the said development plan and ascertain the expected timeline in terms of finalisation of the said development plan at this juncture as such plan is still at the preliminary stage. The development costs will be funded via a combination of bank borrowings, internally generated funds and potential equity fundraising exercises, the exact quantum of which, will be determined by the Board at a later stage, depending on the cost of funding and our Group's cash requirements at material time.

Save for the Purchase Consideration and development cost for the Subject Land, there is no additional financial commitment required by our Company to put the business of Goldenluck on-stream.

### **3.1.8 Rationale for the Acquisition**

The management has been continuously seeking business opportunities to expand our Group's property portfolio for property development and investment segment through acquisitions of companies (which own real estate), land banks and/or properties for property development and/or for capital appreciation purpose which in turn generate additional stream of income for our Group moving forward. As such, it is a commercial decision by our Group to acquire Goldenluck to become a wholly-owned subsidiary of Iconic Group and Iconic Group will be consolidating the financial results of Goldenluck.

The Acquisition is in line with our Group's business expansion objective and growth strategy in accumulating new suitable land to be included in our Group's landbank and to scale up its property development and investment portfolio to contribute positively to our Group's earnings; improve our Group's cash flow position; and enhance our Group's financial performance and financial position in the mid to long term.

Our Company is in the midst of deliberating on the development plan for the Subject Land, and it is the Board's intention to undertake residential development on the Subject Land after the completion of the Acquisition.

Notwithstanding the above, the Board is still unable to affirm the details of the said development at this juncture, which include amongst others, the timeframe for completion, the development costs, and the eventual funding requirements as such plan is still at the preliminary stage. Feasibility studies will be conducted to assess the risk-reward profile for the potential development, which is highly dependent on approvals obtained from relevant authorities and the demands of end purchasers. Nevertheless, the Board is optimistic that the Acquisition represents an opportunity for our Group to own the entire interests in the Subject Land in a strategic location with strong growth potential to enhance the gross development value of our Group's development projects, which is expected to provide greater sustainability for our Group's future earnings.

### **3.2 Details of the Exemption**

The shareholdings of Dato' Seri Tan Kean Tet and the PACs (who hold Iconic Shares) in Iconic as at the LPD and upon completion of the Rights Issue with Free Warrants as well as assuming full exercise of the Warrants are as follows:



Shareholders	As at the LPD		Minimum Scenario			
	No. of Iconic Shares held	%	After Rights Issue with Free Warrants		Assuming full exercise of Warrants	
			No. of Iconic Shares held	%	No. of Iconic Shares held	%
Dato' Seri Tan Kean Tet <sup>(5)</sup>	67,058,204	11.92	402,764,463	31.76	626,568,636	36.03
<b>PACs (who holds Iconic Shares)</b>						
Modern Rewards <sup>(1)(3)</sup>	57,324,840	10.19	192,206,816	15.15	282,128,133	16.23
Tan Cho Chia <sup>(2)(5)</sup>	15,719,050	2.80	15,719,050	1.24	15,719,050	0.90
Legacy 888 Sdn Bhd <sup>(1)(4)</sup>	7,970,300	1.42	7,970,300	0.63	7,970,300	0.46
<b>Total</b>	<b>148,072,394</b>	<b>26.33</b>	<b>618,660,629</b>	<b>48.78</b>	<b>932,386,119</b>	<b>53.62</b>

**Notes:**

- (1) Dato' Seri Tan Kean Tet is deemed interested by virtue of his shareholding in Legacy 888 Sdn Bhd and Modern Rewards Sdn Bhd.
- (2) Son of Dato' Seri Tan Kean Tet.
- (3) The shareholders of Modern Rewards and their respective shareholdings are set out below:

Shareholders	No. of ordinary shares held	%
Dato' Seri Tan Kean Tet	260,000	46.0
Tan Seok Ying	100,000	18.0
Tan Cho Chia	100,000	18.0
Tan Cho Chuan	100,000	18.0
<b>Total</b>	<b>560,000</b>	<b>100.0</b>

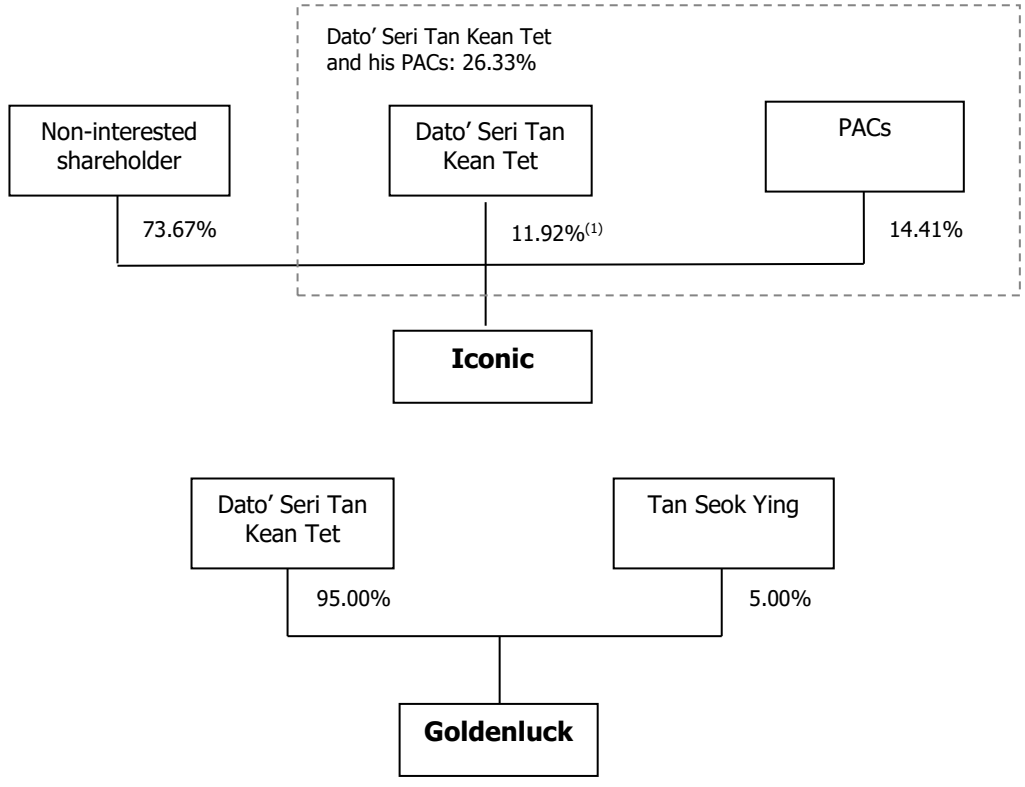
- (4) The shareholders of Legacy 888 Sdn Bhd and their respective shareholdings are set out below:

Shareholders	No. of ordinary shares held	%
Dato' Seri Tan Kean Tet	60	60.0
Tan Seok Ying	10	10.0
Tan Seok Fang	10	10.0
Tan Cho Chia	10	10.0
Tan Cho Chuan	10	10.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

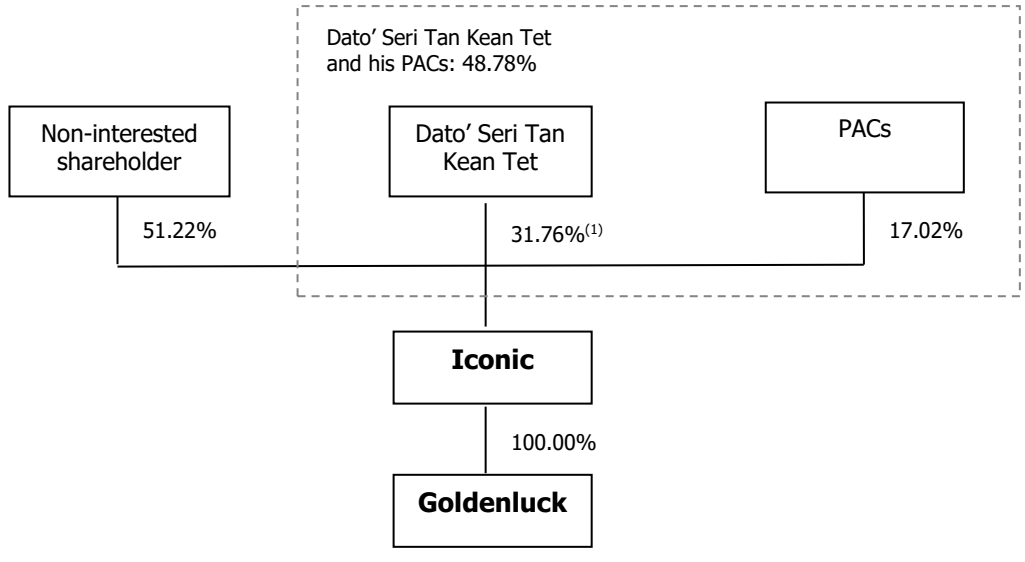
- (5) Includes 14,419,050 Shares being the proportionate of the total of 28,838,100 Shares held under the joint account opened by Dato' Seri Tan Kean Tet and Tan Cho Chia via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local).

The diagram below illustrates Dato' Seri Tan Kean Tet and his PACs' shareholdings in Iconic as at LPD and after the Acquisition and Rights Issue with Free Warrants.

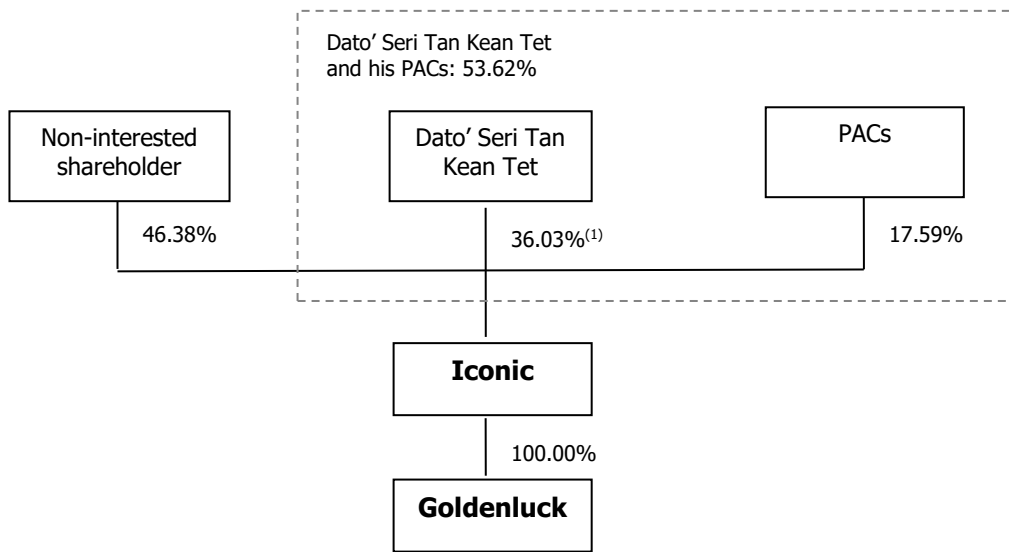
**Before the Acquisition and Rights Issue with Free Warrants**



**After the Acquisition and Rights Issue with Free Warrants**



**After the Acquisition and Rights Issue with Free Warrants and assuming full exercise of Warrants**



**Note:**

(1) Includes 14,419,050 Shares being the proportionate of the total of 28,838,100 Shares held under the joint account opened by Dato' Seri Tan Kean Tet and Tan Cho Chia via Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local).

The Exemption is being sought by Iconic Group pursuant to:

- (i) the subscription of the Rights Shares (including the excess Rights Shares) by Dato' Seri Tan Kean Tet and Modern Rewards (pursuant to the Undertakings) under the Minimum Scenario; and
- (ii) the exercise of the Warrants held by Dato' Seri Tan Kean Tet and his PAC into new Iconic Shares during the Exercise Period,

which may result in:

- (i) the individual shareholdings of Dato' Seri Tan Kean Tet in Iconic will potentially increase from approximately 11.92% to 31.76% of the enlarged issued share capital pursuant to the subscription of the Rights Shares and subsequently to 36.03% upon exercise of Warrants into new Iconic Shares during the Exercise Period under the Minimum Scenario;
- (ii) the direct shareholdings of Dato' Seri Tan Kean Tet in Iconic (including his shareholdings held via Legacy 888 Sdn Bhd pursuant to the Single Entity Concept) will potentially increase from approximately 13.34% to 32.39% of the enlarged issued share capital of Iconic pursuant to the subscription of the Rights Shares and subsequently to 36.49% upon exercise of Warrants into new Iconic Shares during the Exercise Period under the Minimum Scenario;
- (iii) the collective shareholdings of Dato' Seri Tan Kean Tet and the PACs in Iconic may potentially increase to above 33.00% of the enlarged issued share capital of Iconic (i.e. from 26.33% to 48.78% of the enlarged issued share capital of Iconic pursuant to the subscription of the Rights Shares and subsequently to:
  - (a) 50.78% upon exercise of 51,630,000 Warrants into new Iconic Shares which will trigger the Creeping Threshold under the Minimum Scenario (being the acquisition\* of more than 2.00% of the voting shares or voting rights of a company in any period of 6 months by an acquirer holding over 33.00% but not more than 50.00% of the voting shares or voting rights of the company) and incur a mandatory offer obligation; and

\* Pursuant to Note (10) to paragraph 4.01 of the Rules, the exercise of any conversion or subscription rights or options is deemed an acquisition of voting shares or voting rights for the purposes of determining if a mandatory offer obligation has been triggered.

- (b) to 53.62% upon full exercise of 313,725,490 Warrants into new Iconic Shares during the Exercise Period (under the Minimum Scenario) and incur a mandatory offer obligation.

**Note:**

The scenario for (iii)(a) illustrates the minimum shareholding level of Dato' Seri Tan Kean Tet and the PACs which will trigger the Creeping Threshold as a result of exercise of 51,630,000 Warrants. The scenario for (iii)(b) illustrates the maximum potential shareholding level of Dato' Seri Tan Kean Tet and the PACs as a result of full exercise of 313,725,490 Warrants.

- (iv) the collective shareholdings of Dato' Seri Tan Kean Tet and the PACs in Iconic may potentially increase to above 33.00% of the enlarged issued share capital of Iconic (i.e. from 26.33% to 34.05%) upon exercise of Warrants into new Iconic Shares assuming only Dato' Seri Tan Kean Tet and the PACs in Iconic fully exercise their Warrants under the Maximum Scenario.

Premised on the above, Dato' Seri Tan Kean Tet and the PACs are obliged to undertake a Mandatory Offer.

However, Dato' Seri Tan Kean Tet and the PACs do not intend to undertake the Mandatory Offer. In this regard, an exemption from the SC under subparagraph 4.08(1)(b) and 4.08(1)(c) of the Rules to exempt Dato' Seri Tan Kean Tet and the PACs (including Modern Rewards) from the obligation to undertake a Mandatory Offer has been sought from the SC, after obtaining the approval for the Exemption from our non-interested shareholders, by way of poll, at the EGM held on 22 December 2023. The SC had subsequently vide its letter dated 23 January 2024, approved the application in relation to the Exemption.

### **3.2.1 Rationale for the Exemption**

The Exemption will relieve Dato' Seri Tan Kean Tet and the PACs from the obligation to undertake a Mandatory Offer upon completion of the Rights Issue with Free Warrants as Dato' Seri Tan Kean Tet and the PACs do not intend to undertake a Mandatory Offer.

As the Rights Issue with Free Warrants is being undertaken on Minimum Subscription Level basis pursuant to the Undertakings, the Exemption will ensure that the Rights Issue with Free Warrants can be successfully undertaken to raise the minimum proceeds of RM60.0 million (via the combination of the Undertakings and Underwriting).

## **4. RATIONALE FOR THE RIGHTS ISSUE WITH FREE WARRANTS**

The Rights Issue with Free Warrants is undertaken mainly to, amongst others, fund the Acquisition. After considering other methods of equity fundraising available such as bank borrowings where our Group would have to incur interest expense and private placements, as well as the current capital structure of Iconic, our Board is of the opinion that the Rights Issue with Free Warrants is a more appropriate method of raising funds, after taking into account the following:

- (i) the issuance of Rights Shares would enable our Group to secure funding of at least RM60.00 million under the Minimum Scenario and up to RM95.60 million under the Maximum Scenario, without incurring interest costs compared to bank borrowings;
- (ii) compared to other equity offerings, the Rights Issue with Free Warrants will involve the issuance of new Iconic Shares without diluting the Entitled Shareholders' shareholdings, provided that all Entitled Shareholders subscribe in full for their respective entitlements;

- (iii) the Rights Issue with Free Warrants will increase the number of Iconic Shares in circulation which may potentially enhance the liquidity and marketability of Iconic Shares on the Main Market of Bursa Securities;
- (iv) the Warrants attached to the Rights Shares are expected to enhance the attractiveness of the Rights Shares. It provides the shareholders with the option to further participate in the equity of our Company at a pre-determined price and enable them to benefit from the future growth of our Company and any potential capital appreciation arising thereof;
- (v) the Rights Issue with Free Warrants will strengthen our Company's financial position with enhanced shareholders' funds. These factors are expected to facilitate the continuous business expansion plans of our Company; and
- (vi) the Warrants will also provide our Company with additional capital when they are exercised. The exercise of the Warrants will allow our Company to raise fresh proceeds without incurring additional financing cost and minimise any potential cash outflow in respect of interest servicing.

## 5. UTILISATION OF PROCEEDS

### 5.1 Proceeds raised from the Rights Issue with Free Warrants

Based on an Issue Price, the Rights Issue with Free Warrants will raise gross proceeds of RM60.00 million under the Minimum Scenario and up to RM95.60 million under the Maximum Scenario.

The details of the utilisation of gross proceeds under the Minimum Scenario and Maximum Scenario are as follows:

Purposes	Notes	Minimum Scenario <sup>(1)</sup>		Maximum Scenario <sup>(2)</sup>		Expected timeframe for utilisation of proceeds (from listing date)
		RM'000	%	RM'000	%	
Acquisition	(a)	39,800	66.33	39,800	41.63	Within 12 months
Repayment of bank borrowings	(b)	12,386	20.65	37,680	39.41	Within 24 months
Working capital requirements	(c)	6,314	10.52	16,620	17.39	Within 24 months
Estimated expenses for the Proposals	(d)	1,500	2.50	1,500	1.57	Within 1 month
	<b>Total</b>	<b>60,000</b>	<b>100.00</b>	<b>95,600</b>	<b>100.00</b>	

#### Notes:

- (1) Assuming that the Rights Issue with Free Warrants is undertaken on the Minimum Subscription Level.
- (2) Assuming that the Rights Issue with Free Warrants is undertaken on the Maximum Subscription Level.
- (3) The actual proceeds raised (which may be higher or lower than as illustrated above, depending on the actual number of Rights Shares subscribed) are intended to be utilised in the following order of priority, up to the respective maximum allocation in the following order:
  - (i) Acquisition (RM39.80 million);
  - (ii) Estimated expenses for the Proposals (up to RM1.50 million); and

(iii) Repayment of bank borrowings and working capital on a proportionate basis.

- (a) The Acquisition entails the acquisition of the Sales Shares by Iconic, representing 100% equity interest in Goldenluck from the Vendors for the Purchase Consideration, subject to the terms and conditions of the SPA. Our Company intends to utilise RM39.80 million of the proceeds to fund the Acquisition.

Kindly refer to Section 3.1 of this Abridged Prospectus for further details on the Acquisition and Appendix II of this Abridged Prospectus for further details on Goldenluck.

- (b) As at the LPD, the total bank borrowings of our Group (excluding lease liabilities) stood at approximately RM95.77 million. The borrowings comprise of term loans and bankers' acceptances.

Pursuant to our Group's internal assessment of the outstanding principal amount of the borrowings and potential interest savings, our Company has earmarked up to RM37.68 million of the proceeds for the partial repayment of its existing term loans in the manner set out as follows while the bankers' acceptances will be settled upon maturity via internally generated funds due to its short tenure (i.e. maximum 120 days):

Type of facility/ Bank/ Maturity date	Outstanding principal amount and interest as at LPD RM'000	Effective interest rate per annum %	Minimum Scenario		Maximum Scenario	
			Proposed repayment RM'000	Estimated annual interest savings RM'000	Proposed repayment RM'000	Estimated annual interest savings RM'000
Term loan A/AmBank Berhad/ 1 September 2032 <sup>(1)</sup>	8,041	5.20	-	-	6,856	356
Term loan B/AmBank Berhad/ 1 August 2032 <sup>(2)</sup>	8,417	5.20	-	-	7,185	373
Term loan C/AmBank Berhad/ 3 November 2029 <sup>(3)</sup>	25,336	5.20	6,050	315	11,445	595
Term loan D/AmBank Berhad/ 1 August 2032 <sup>(4)</sup>	42,439	5.20	6,336	329	12,194	634
<b>Total</b>	<b>84,233</b>	<b>-</b>	<b>12,386</b>	<b>644</b>	<b>37,680</b>	<b>1,958</b>

**Notes:**

- (1) The total loan amount is RM9.46 million which was used to finance the installation cost of system piping and system equipment. The loan amount was mainly utilised for the payment for progressive billings from various contractors for supply and installation of thermal oil

boilers, chiller and cooling towers, latex, chemical and process water piping and pipe racks, compressed dry air equipment, waste water treatment plant, other related accessories and piping.

- (2) The total loan amount is RM10.00 million which was used to finance the purchase of a leasehold vacant industrial land. The loan amount was utilised to pay 80% of the purchase price of the said land to the vendor.
- (3) The total loan amount is RM31.50 million which was used to finance the purchase of 6 units of glove related manufacturing machines. The loan amount was mainly utilised for the payment of progressive billings from the contractors for fabrication, supply and installation of the first 6 glove dipping machine, related equipment and accessories.
- (4) The total loan amount is RM50.80 million which was used to finance the construction cost of factory complex (comprises of the manufacturing facility that houses the glove and face mask production lines, waste treatment plant, storage tanks, warehouse, loading bays, parking space and main office space) mainly the progressive billings from the main contractor.

Based on the above, the repayment of the bank borrowings is expected to result in annual interest savings of approximately RM0.64 million and RM1.96 million under the Minimum Scenario and Maximum Scenario, respectively, based on the prevailing effective interest rate of 5.20% per annum.

Notwithstanding the proposed repayment amount stated above, the actual repayment amount may differ as this will be dependent on, amongst others, the actual amount of proceeds raised from the Rights Issue with Free Warrants and the prevailing interest rate of the respective borrowings at the relevant point in time. Nonetheless, the Board shall prioritise repayment of bank borrowings with impending maturity followed by the potential interest savings in determining the type of borrowings to be repaid and the quantum of repayment.

In the event that the actual proceeds raised under the Maximum Scenario are lower than as illustrated above (i.e. RM95.60 million), the proceeds earmarked for the repayment of bank borrowings are intended to be utilised in the following order of priority, up to the respective maximum allocation in the following order:

- (1) repayment of term loan C;
- (2) repayment of term loan D;
- (3) repayment of term loan A; and
- (4) repayment of term loan B.

Repayment of term loan C and D has been prioritised to reduce the higher exposure due to their higher outstanding principal amount as at the LPD.

- (c) Our Group intends to allocate proceeds of up to RM16.62 million from the Rights Issue with Free Warrants for working capital purposes in the following manner:

<b>Description</b>	<b>Minimum Scenario</b>		<b>Maximum Scenario</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
Purchase of raw materials (i.e. nitrile butadiene rubber latex and nitrile stabilizer) and consumables (i.e. liquid natural gas) required for the production of rubber gloves <sup>(1)</sup>	3,500	5.83	11,274	11.79

<b>Description</b>	<b>Minimum Scenario</b>		<b>Maximum Scenario</b>	
	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>%</b>
Staff costs (i.e. salaries, statutory contributions and staff welfare)	1,814	3.02	4,346	4.55
Operating and administrative expenses (i.e. insurance, transportation cost, office upkeep cost and day to day operating expenses)	1,000	1.67	1,000	1.05
<b>Total</b>	<b>6,314</b>	<b>10.52</b>	<b>16,620</b>	<b>17.39</b>

**Note:**

(1) The actual breakdown of these expenses cannot be determined at this juncture as it will depend on the actual production requirements of our Group at the relevant time.

(d) The breakdown of the estimated expenses for the Proposals is illustrated below:

<b>Description</b>	<b>RM'000</b>
Professional fees <sup>(1)</sup>	550
Underwriting fees	500
Fees to authorities	150
Printing, meeting expenses and advertising	180
Miscellaneous charges and contingencies	120
<b>Total</b>	<b>1,500</b>

**Note:**

(1) Comprises the professional fees of the Principal Adviser, Solicitors, Reporting Accountants, Independent Market Researcher, Share Registrar, and Company Secretary.

In the event the actual expenses are less than the allocated amount, the excess will be utilised as working capital for our Group as per item (c) above. Conversely, if the actual expenses incurred are higher than the amount budgeted, the deficit will be funded out of the portion allocated for working capital and/or internally generated funds.

Pending utilisation of proceeds for the abovementioned purposes, the proceeds arising from the Rights Issue with Free Warrants will be placed in interest-bearing deposits and/or money market instruments with licensed financial institutions. Any interest and/or gain derived will be used for our Group's working capital purposes as per item (c) above.

## 5.2 Proceeds to be raised from the exercise of Warrants

Based on the Warrants Exercise Price, the full exercise of Warrants will raise up to raise RM32.94 million (under the Minimum Scenario) and up to RM52.49 million (under the Maximum Scenario).

Any proceeds arising from the exercise of the Warrants in the future shall be utilised for capital expenditure, investment opportunities and/or working capital of Iconic Group. The exact details of the utilisation of such proceeds, including the breakdown of the utilisation have not been determined. Our Company will make the announcements as and when the utilisation of proceeds have been determined, if required under the Listing Requirements.

The exact quantum of proceeds that may be raised from our Company from the exercise of Warrants would depend on the actual number of Warrants exercised. The proceeds from the exercise of Warrants will be received on an "as and when basis" over the tenure of Warrants.



## **6. RISK FACTORS**

In addition to other information contained in this Abridged Prospectus, you should carefully consider the following risk factors before subscribing for or investing in the Rights Issue with Free Warrants:

### **6.1 Risks relating to the Acquisition**

#### **(a) Failure to rezone the Subject Land**

The Subject Land is a parcel of freehold vacant land identified as Lot No. 7685, Mukim 13, District of Timor Laut, State of Pulau Pinang measuring approximately 6.07 hectares (or 60,700 Sqm). According to the gazetted Rancangan Struktur Negeri Pulau Pinang 2030, it is zoned as a "Hutan" (forest) and located within the hill land above 76 metres elevation in the Penang Environmentally Sensitive Area which forms part of Rancangan Struktur Pulau Pinang 2030. It is the Board's intention to undertake a residential development project on the Subject Land which requires the Subject Land to be rezoned for residential purpose for compliance with the land use zoning notwithstanding that the Subject Land holds a First-Grade title. As such, our Company intends to apply to the state authority of Pulau Pinang for such changes upon the completion of the Acquisition.

However, there is no assurance that such application will be approved by the state authority and failure in obtaining the said approval will affect the implementation of the residential development project which will materially affect profitability of our Group. In the event that the rezoning application is not approved by the state authority, Iconic will continue to be bound by the existing zoning regulations, which might restrict the types of uses and developments they can undertake on the Subject Land. As the Board intends to undertake a residential development project on the Subject Land, failure to rezone could prevent Iconic from undertaking the development plan they are deliberating under the new zoning. Therefore, our Group has to reassess their entire business plan and long-term vision for the Subject Land. Further, our Group will have to cover the cost of the rezoning process and the cost associated with the Acquisition. In the event that Iconic Group is unable to carry out the development plan due to factors not within their control, our Group may consider to dispose of the Subject Land as holding onto it will incur ongoing expenses such as property taxes and maintenance costs which will affect profitability of our Group's financial position. However, our Group may have to dispose the Subject Land at a lower price resulting in a financial loss based on the market condition at that point in time which will impact its potential usage and market value.

The Acquisition approved by the shareholders at the EGM will be implemented in accordance with the terms and conditions of the SPA. The Entitled Shareholders who subscribed to the Rights Issue with Free Warrants will still hold the additional Shares they subscribed, but if the Subject Land cannot be developed due to failure of rezoning, the potential profits and value that would have justified the additional Shares issuance may not materialise. This could result in a dilution of the value of their original investment, as the expected benefits from the development may not be realised. Further, the shareholdings of shareholders who did not participate in the Rights Issue with Free Warrants will be diluted by the Rights Shares issued and subscribed by other Entitled Shareholders. The failure to obtain rezoning approval and proceed with the development project could negatively affect our Company's overall financial performance and growth prospects. The Subject Land will remain status quo and unable to generate revenue for our Group until rezoning approval is obtained. This, in turn, could impact our Company's share price. The shareholders, including those who participated in the Rights Issue with Free Warrants, may experience a decline in the market value of their shares.

Notwithstanding the above, our Group will submit the rezoning application at soonest possible after the Acquisition and shall use their best endeavours to ensure every effort is taken to procure the rezoning approval.

As at the LPD, there has been no past incident in respect of failure to rezone any of our land which had any material adverse impact on our Group's business and financial performance.

**(b) Completion risk**

Iconic shall be entitled to terminate the SPA if it shall be found that the Vendors:

- (i) fail to complete the SPA in accordance with its terms by or on 10 business days following fulfilment or waiver of the conditions precedents of the SPA (as stipulated in Section 1, Appendix I of the Circular) whichever is the later (or such other date as may be agreed in writing between the Iconic and the Vendors);
- (ii) any of the Vendors has committed a material breach of any term of the SPA;
- (iii) any of the warranties was, when given, or will be or would be, at completion not complied with or otherwise untrue or misleading; or
- (iv) a petition is presented or an order is made for the bankruptcy of any of the Vendors.

In the event the Acquisition is terminated prior to the completion of the Rights Issue with Free Warrants, the Rights Issue with Free Warrants will be aborted (as the Rights Issue with Free Warrants is undertaken mainly to, amongst others, fund the Acquisition) and all monies raised will be refunded in the manner stated under section 6.4(b) of this Abridged Prospectus.

**(c) Compulsory acquisition**

The Government has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the applicable legislation including the Land Acquisition Act 1960 for certain purposes where the compensation to be awarded is based on the fair market value of a property assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. Compulsory acquisition by the Government at a point in time when the fair market value of the Subject Land has decreased, the level of compensation being awarded may be less than the value of the Subject Land, which could impair our Group's financial position and results of operations.

As at the LPD, there has been no past incident in respect of compulsory acquisition of any part of the Subject Land which had any material adverse impact on our Group's business and financial performance.

**6.2 Risks relating to our business**

**(a) Project completion risk**

The property development segment is exposed to the risk that there may be delay in the completion of the property development projects. Such events include, amongst others, natural disasters, adverse weather conditions, delay in obtaining approvals/ permits necessary for the property development projects, shortage or unavailability of building materials and/or labour workforce and other unforeseen circumstances. There is no assurance that delay in the property development projects will not increase the development costs which will materially affect profitability of our Group.

As at the LPD, there has been no past incident in respect of delay in completion of our property development projects which had any material adverse impact on our Group's business and financial performance.

**(b) Risks of damages arising from material litigation involving IMED ("Defendant") (our wholly-owned subsidiary) and Latex Form Sdn Bhd ("Plaintiff")**

As detailed in Section 6(ii), Appendix I of this Abridged Prospectus, our wholly-owned subsidiary, IMED, are involved in an ongoing litigation with Latex Form Sdn Bhd. The amount claimed by the Plaintiff totaled RM15,038,004.00 with interest of 1.5% per month (which is subject to proof in court).

Despite that a Statement of Defence and a Counterclaim has been filed to dispute the Plaintiff's claim as well as the opinion of our lawyer, Messrs Presgrave & Matthews, that IMED has a fair and arguable case with a reasonable chance of dismissing Latex Form's claim, there can be no assurance that the outcome of the litigation may be favourable to our Group.

As at the LPD, no provision in relation to the Latex Form's claim has been made in our financial statement. In the event if the Plaintiff is successful in its claim, such outcome will have a material impact on the financial results and NA of our Group based on the Plaintiff's claimed amount of RM15,038,004.00 with interest of 1.5% per month.

### **6.3 Risks relating to our industry**

#### **(a) Market risk**

The real estate market prices are highly dependent on the demand and supply factors which are mainly affected by the prevailing economic conditions, government regulations, competition with other property developers. There may be a possibility of occurrence of property overhang at the time of completion of our Group's future property development project. This will affect the sale of our Group's projects and consequentially affect our Group's future financial performance.

As at the LPD, there has been no past incident in respect of the above which had any material adverse impact on our Group's business and financial performance.

#### **(b) Political, economic and regulatory considerations**

Adverse changes in political, economic and regulatory conditions in Malaysia could materially affect the financial and prospects of the property development business. Amongst the political, economic and regulatory uncertainties are the changes in the risks of economic downturn, unfavourable monetary and fiscal policy changes, exchange control regulations or introductions of new rules or regulations affecting the property development industry, changes in interest rates, inflation, taxation method, general employment outlook and political leadership.

There can be no assurance that any material change in political, economic and regulatory conditions will not materially affect our operations and financial performance.

As at the LPD, there has been no past incident in respect of the above which had any material adverse impact on our Group's business and financial performance.

### **6.4 Risks relating to the Rights Issue with Free Warrants**

#### **(a) Capital market risks for the Rights Shares and the Warrants**

The market price of our Shares is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets as well as our financial performance. In view of this, there can be no assurance that our Shares will trade above the Issue Price of the Rights Shares or the TERP of our Shares upon or subsequent to the listing of and quotation for the Rights Shares in the Main Market of Bursa Securities.

The value of the Warrants depends on various factors, primarily the market price of our Shares, the Warrants exercise price, remaining tenure of the Warrants, volatility of our share price and the perceived risk-free rates applicable in the relevant market. In view of this, there can be no assurance that the Warrants will be 'in-the-money' during the tenure of the Warrants. There can also be no assurance that an active market for the Warrants will develop upon or subsequent to the listing of the Warrants on Bursa Securities or if developed, that such market can be sustained.

Furthermore, you are reminded that should the outstanding Warrants expire at the end of its tenure, it will cease thereafter to be valid for any other purposes and hence, will no longer have any value.

**(b) Failure or delay in the completion of the Rights Issue with Free Warrants**

The Rights Issue with Free Warrants is exposed to the risk that it may be terminated or delayed in the event of a material adverse change of events or circumstances (such as force majeure events including without limitation, acts of government, natural disasters including without limitation the occurrence of a tsunami and/or earthquakes, acts of terrorism, strikes, national disorder, declaration of a state of war or accidents, any change in law, regulation, policy or ruling or occurrence of termination events stated in Underwriting Agreement or the termination of the SPA due to the reason stipulated in Section 6.1(b) of this Abridged Prospectus (as the Rights Issue with Free Warrants is undertaken mainly to, amongst others, fund the Acquisition) or for any reason whatsoever (including compliance with Paragraph 6.51 of the Listing Requirements whereby the listing of the Warrants must fulfil the requirement of at least 100 Warrant holders holding not less than 1 board lot of the Warrants each)), which is beyond the control of our Group and the Principal Adviser, arising prior to the completion of the Rights Issue with Free Warrants.

In this respect, pursuant to Section 243 of the CMSA, in the event the Rights Issue with Free Warrants is aborted, all monies raised in the Rights Issue with Free Warrants will be refunded free of interest within 14 days to the Entitled Shareholders. Monies not paid within 14 days will be returned with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC.

In the event the Rights Issue with Free Warrants is aborted/terminated, and the Rights Shares have been allotted to the Entitled Shareholders, a return of monies to all holders of Rights Shares could only be achieved by way of cancellation of the share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our Company's creditors (where applicable) and either the confirmation of the High Court of Malaya or a solvency statement by our Board. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

**(c) Dato' Seri Tan Kean Tet and the PACs will be able to exert significant influence over our Company**

Pursuant to the Undertakings, the collective shareholdings of Dato' Seri Tan Kean Tet and the PACs in Iconic may potentially increase to above 33.00% and up to 53.62% of the enlarged issued share capital of Iconic. As a result, they will collectively be able to have effective control over the business direction and management of our Company, including election of directors, timing and payment of dividends as well as having voting control and as such will likely have significant influence on the outcome of certain matters requiring the vote of the shareholders, unless they and persons connected with them are required to abstain from voting by law and/or by the relevant guidelines and regulations.

**(d) Potential dilution of existing Shareholders' shareholding**

Those Entitled Shareholders who do not subscribe for their entitlement of Rights Issue with Free Warrants will experience dilution in their existing shareholding in our Company as a result of the issuance of the Rights Shares arising from the subscription by other Entitled Shareholders and/or their transferees and/or their renounees. In addition, the issuance of new Shares arising from the exercise of the Warrants in the future will lead to further such dilution.

Consequently, their proportionate entitlement to any dividends, rights, allotments and/or other distributions that our Company may declare, make or pay after completion of the Rights Issue with Free Warrants will correspondingly be diluted.

**(e) Forward-looking statements**

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Company and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, among others, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

## **7. INDUSTRY OVERVIEW AND PROSPECTS**

The following industry overview and prospects are an extract from the IMR Report and relevantly publicly available economic reports. The profile of the IMR is as follows:

### **Profile of Providence**

Providence is an independent market research and consulting firm based in Petaling Jaya, Selangor, Malaysia. Since its inception in 2017, Providence has been involved in the preparation of independent market research reports for capital market exercises. Its report aim to provide an independent assessment of industry dynamics, encompassing aspects such as industry performance, demand and supply conditions and competitive landscape.

### **Profile of IMR Report signee, Elizabeth Dhoss**

Elizabeth Dhoss is the Executive Director of Providence. She has more than 10 years of experience in market research for capital market exercises. Elizabeth Dhoss holds a Bachelor of Business Administration from the University of Malaya, Malaysia.

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## 7.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 3.0% in the fourth quarter of 2023 (3Q 2023: 3.3%). Growth remains moderate supported by resilient labour markets. Household spending remained supported by continued growth in employment and wages. Meanwhile, investment activity was underpinned by the progress of multi-year projects and capacity expansion by firms. Higher imports has outpaced exports with higher imports of capital and intermediate goods, despite exports having improved for non-E&E products and commodities. On the supply side, the services, construction, mining and agriculture sectors expanded in the fourth quarter of 2023. This was partly offset by the decline in production in the manufacturing sector given the continued weakness in demand for electrical and electronic products in the midst of the tech downcycle. The growth outlook remains subject to downside risks from weaker-than-expected external demand and declines in commodity production. Meanwhile, upside risks to domestic growth emanate from greater spillover from the tech upcycle, stronger-than-expected tourism activity and faster implementation of both existing and new projects. On a quarter-on-quarter seasonally adjusted basis, the economy contracted by 2.1% (3Q 2023: expansion by 2.6%).

*(Source: Bank Negara Malaysia Quarterly Bulletin, Fourth Quarter 2023)*

In the case of Malaysia, the economy continued to expand amid these persistent challenges in the external environment. During the first half of 2023, GDP posted a growth of 4.2% supported by resilient domestic demand, in particular private expenditure. The services sector, the largest contributor to the economy, continued to lead growth following higher tourist arrivals and improved consumer spending. The construction sector continued to expand in tandem with the acceleration of infrastructure projects and realisation of investment in non-residential and residential developments. These developments helped to cushion the negative impact from the external sector following slow external demand, particularly from Malaysia's major trading partners.

The increased external uncertainties will pose risks to the economic growth. Notwithstanding these challenges, the economy continues reaping the benefit from policies and initiatives undertaken over the years to enhance resilience and competitiveness. Overall, the economy is projected to expand moderately in the second half of the year as external demand is expected to remain low and high base effect from the previous year. Nevertheless, domestic demand will continue to drive growth. Hence, the GDP is anticipated to register a growth of approximately 4% in 2023.

For 2024, the economy is projected to grow within the range of 4% to 5%. The growth is envisaged to be broad-based, led by the services sector as intermediate and final services groups are anticipated to rise further driven by sustained domestic consumption and improved export activities. The retail trade, accommodation and restaurants as well as communication segments are expected to increase in line with consumption trend, while the wholesale trade segment and transport and storage subsector will benefit from higher trade-related activities.

The manufacturing sector is expected to accelerate, accounted by improved export-oriented industries particularly the electrical and electronic products as external demand recovers, while the domestic-oriented industries are anticipated to remain favourable in line with robust domestic consumption and investment. The construction sector is expected to grow supported by an expansion across all subsectors. Prospects for the agriculture sector remain positive supported by higher production of crude palm oil, other agriculture and livestock. The mining sector is estimated to turn around owing to the recovery in production of natural gas, and crude oil and condensates.

*(Source: Economic Outlook 2024, Ministry of Finance Malaysia)*

## 7.2 Overview and outlook of the property development industry

Property development activities are largely economic-driven, whereby economic growth has the potential to contribute to increased disposable incomes among the population arising from higher employment and increased earnings for businesses and companies due to greater operating scale and wider market reach, consequently leading to increased demand for residential, commercial and industrial properties

In 2022, Malaysia's property market recorded a total of 389,107 transactions worth RM179.1 billion for 2022. This was an increase of 29.5% in volume and 23.6% in value compared to 2021. There were 243,190 residential property transactions worth RM94.3 billion recorded in 2022, an increase of 22.3% in volume and 22.6% in value as compared with 2021. The commercial property subsector recorded a further increase in market activity in 2022, with a total of 32,809 transactions worth RM32.6 billion, which was an increase of 46.3% in volume and 16.7% in value as compared with 2021 (2021: 22,428 transactions worth RM27.9 billion). Lastly, the industrial property subsector recorded 8,082 transactions worth RM21.2 billion in 2022. Compared to 2021, this was an increase of 44.5% in volume and 24.8% in value.

According to latest available information, a total of 126,310 transactions worth RM72.5 billion took place in Malaysia during the first half of 2023 comprising 114,973 residential property transactions worth RM44.8 billion, 7,602 commercial property transactions worth RM16.8 billion and 3,735 industrial property transactions worth RM10.9 billion. In comparison to the first half of 2022, total property transactions in the first half of 2023 increased by 0.8% in volume and 3.0% by value, residential property transaction declined by 1.0% in volume and 1.8% in value, commercial property transaction increased by 16.0% in volume and 19.5% in value while industrial property decreased by 2.5% in volume but increased by 1.8% in value.

In the state of Pulau Pinang, total property transactions in 2022 rose to RM11.1 billion based on 20,387 transactions. A total of 17,892 residential property transactions worth RM8.0 million took place in 2022 depicting a year-on-year increase of 31.1% in terms of volume and 33.4% value. Specific to commercial properties, 1,973 transactions worth RM1.5 billion took place during the year. This was an increase of 55.5% in terms of volume and 15.4% in terms of value compared to 2021. During the year, industrial property transactions rose by 12.5% in terms of volume to reach 522 transactions (2021: 464 transactions) and 0.7% in terms of value to reach RM11.1 billion (2021: RM1.6 billion).

According to latest available information, a total of 9,872 transactions worth RM7.7 billion took place in Pulau Pinang during the first half of 2023 comprising 8,170 residential property transactions worth RM3.5 billion, 1,400 commercial property transactions worth RM3.5 billion and 302 transactions worth RM0.7 billion. In comparison to the first half of 2022, total property transactions in the first half of 2023 increased by 4.5% in volume and 45.2% by value, residential property transactions declined by 2.2% in volume and 6.1% in value, commercial property transactions increased by 71.6% in volume and 483.5% in value, while industrial property transactions increased by 10.6% in volume but decreased by 29.0% in value.

The Government implemented various initiatives under Budget 2023 to support activities in the property sector, among which included:

- Full stamp duty exemption on instrument of transfer and loan agreement for the purchase of the first residential home priced up to RM500,000 by Malaysia citizens remained until 31 December 2025;
- Increase of stamp duty remission from 50% to 75% for the purchase of the first residential properties priced between RM500,000 to RM 1 million by Malaysian citizens and applicable for sale and purchase agreements executed until 31 December 2023;
- Full stamp duty exemption up to RM1 million and 50% stamp duty remission for the remaining balance on transfers of property by way of love and affection between family members (father to child and grandfather to grandson);
- Allocation of RM460.2 million for the building of new homes and home renovations in rural areas;
- Allocation of RM389.5 million will be channelled to the People's Housing Programme;
- Allocation of RM358 million for the construction of affordable homes under Rumah Mesra Rakyat programme by Syarikat Perumahan Negara Berhad;
- Allocation of RM462 million for the construction of 23,000 houses under Projek Perumahan Awam Malaysia; and

- Increase the guarantees of up to RM5 billion via Syarikat Jaminan Kredit Perumahan (SJKP) in assisting gig workers such as e-hailing workers in obtaining home financing up to RM500,000.

According to Malaysia's Ministry of Finance, Malaysia's economy is expected to grow moderately by approximately 4.0% in 2023, backed by strong fundamentals and diversified economic structure, coupled with ongoing policy support to cushion the impact of the rising cost of living and mitigate the downside risk stemming from the prolonged geopolitical uncertainties and tightening global financial conditions. Bank Negara Malaysia also anticipates that domestic demand will continue to drive growth, supported by the continued recovery in the labour market and the realisation of multi-year investment projects.

Under the Budget 2024, several allocations have been made in relation to the property sector, among which include:

- In 2023, the Government had mobilised a special team under the Ministry of Local Government Development (KPKT) to address issues on delayed, sick and abandoned private housing projects that have burdened homebuyers. As of August 2023, 256 sick projects involving over 28,000 housing units have been restored, with a gross development value of RM23.37 billion;
- Overall, a total of RM2.47 billion will be allocated to implement housing projects for the rakyat in 2024:
  - (i) A special guarantee fund of RM1.0 billion has been allocated to encourage reputable developers to revive identified abandoned projects;
  - (ii) A total of RM546 million is allocated to continue the implementation of 36 Program Perumahan Rakyat (PPR), including a new project in Kluang, Johor. 15 PPR projects are expected to be completed in 2024 to benefit 5,100 potential new residents;
  - (iii) 14 Program Rumah Mesra Rakyat will continue, with the construction of 3,500 housing units with an allocation of RM358.0 million;
  - (iv) The Government will allocate RM460.0 million to aid approximately 65,000 impoverished rural residents for the construction of new homes or the renovation of their existing dilapidated houses;
  - (v) A sum of RM100.0 million is allocated for the maintenance of low and medium-cost public and private strata housing projects nationwide. This includes repairing water tanks, roofs, and electrical systems, as well as installing closed-circuit television cameras;
- The Government will provide guarantees of up to RM10 billion under Skim Jaminan Kredit Perumahan (SJKP) that will benefit 40,000 borrowers;
- As a measure to control property prices, the Government intends to impose a flat rate stamp duty of 4% on the transfer of land ownership documents by non-citizens and foreign-owned companies, except for individuals with permanent residency status in Malaysia;
- The wellbeing of uniformed members and retirees will continue to be preserved:
  - (i) RM400.0 million is provided for the maintenance and refurbishment of all Armed Forces Family Homes;
  - (ii) RM20.0 million to upgrade the sewerage system of Malaysian army camp sewerage in phases; and
- In 2024, the Federal allocation for the development of Sarawak will increase to RM5.8 billion from RM5.6 billion. Meanwhile, for Sabah, the allocation will increase to RM6.6 billion compared to RM6.5 billion. To increase the effectiveness of the allocation, the Federal Government has also delegated the authority to implement development projects valued under RM50.0 million to technical agencies in Sabah and Sarawak.



Malaysia's property market performance is expected to be cautiously optimistic in 2023 and 2024. The policies, Government support as well as implementation of measures in the revised Budget 2023, Budget 2024 and initiatives under Twelfth Malaysia Plan (12MP) (2021 – 2025) are expected to support developments in the property sector.

*(Source: Independent Market Research Report dated 11 March 2024 prepared by Providence)*

### 7.3 Overview and outlook of the PPE industry

In 2022, the production of rubber gloves in Malaysia contracted at a year-on-year rate of 37.4% to 85.6 billion pairs. The sales value of manufactured rubber gloves rose to an estimated RM31.0 billion in 2020 at a year-on-year growth rate of 89.0%, before further rising to RM65.4 billion in 2021 at a year-on-year growth rate of 111.0%. The significant increase in production volume in 2020 and 2021 is attributable to increased global demand arising from the outbreak of COVID-19 in late 2019 that carried through 2020 and 2021, affecting nations worldwide. In 2022, the sales value of manufactured rubber gloves declined at a rate of 28.3% to RM46.9 billion. As nations globally transitioned into endemicity in 2022, Malaysia's rubber glove industry experienced an adjustment period en route to normality. In particular, the rubber glove industry contended with the challenges of glove oversupply coupled with pandemic driven excess stockpiling. These resulted in a temporary but substantial slowdown in demand in 2022.

Demand for rubber gloves is growing due to its significance to the healthcare industry, which is affected by epidemic and pandemic disease outbreaks. More recently in late 2019 and early 2020, there was an outbreak COVID-19 that spread widely in the People's Republic of China (China) before becoming a global pandemic, with Malaysia too being affected by this outbreak. The COVID-19 pandemic has resulted in a significant rise in the demand for personal protective equipment such as face masks and rubber gloves among healthcare professionals and the global population. According to the MARGMA, demand for rubber gloves surged 100% globally in 2020 due to countries implementing defensive and preventive strategies to avoid cross contamination arising from COVID-19.

Malaysia's exports of rubber gloves witnessed significant growth to RM35.3 billion in 2020 at a year-on-year growth rate of 102.9% and RM54.8 billion in 2021 at a year-on-year growth rate of 55.2%. Malaysia is the world's biggest maker of rubber gloves, accounting for approximately 60.0% of global exports. This growth was driven by higher demand arising from the widespread of COVID-19, and government efforts to assist the rubber gloves industry. In 2022, the country's exports of rubber gloves declined at a rate of 65.3% to RM19.0 billion, demand normalised amidst the lower average selling prices. According to latest available information, Malaysia's rubber glove exports totalled RM14.9 billion for the period of January to September 2023.

MARGMA further foresees that the export value for rubber gloves from Malaysia would grow 10% annually from 2023 onwards as the global demand for rubber gloves will expand in the range of 12% to 15% in 2023, supported by rising hygiene awareness, ageing population and recovery in non-COVID-19 related demand.

The consumption of rubber gloves increases drastically when there is a major disease outbreak. Rubber gloves are the most basic form of personal protective equipment used by hospitals when there are cases of diseases that are highly contagious. In developed countries, rubber gloves are seen as a basic necessity to contain diseases and avoid an increase in the number of fatalities. As such, there is a noticeable surge in demand for medical rubber gloves during major incidences of disease outbreaks. While the COVID-19 pandemic has been largely responsible for the surge in world demand for rubber gloves, new outbreaks of diseases and pandemics such as monkeypox will spur future demand for rubber gloves.

Other than the healthcare industry, demand for rubber gloves from other manufacturing industries such as food processing, refined petroleum products, chemicals and chemical products and pharmaceutical products, fabricated metal products, machinery and equipment, computers and peripheral equipment, electrical equipment, electronic components and boards, communication equipment and consumer electronics, as well as motor vehicles and transport equipment, will also support demand for rubber gloves.

*(Source: Independent Market Research Report dated 11 March 2024 prepared by Providence)*

## 7.4 Overview and outlook of the tourism industry

Malaysia witnessed growth in tourism receipts between 2017 and 2019, as tourism receipts increased from RM82.1 billion to RM86.1 billion at a CAGR of 2.4%. During the same period, tourist arrivals increased from 26.0 million persons to 26.1 million persons at a CAGR of 0.2%. Malaysia registered 4.3 million tourist arrivals in 2020, marking a year-on-year decrease of 83.5%. During the year, tourism receipts dropped to RM12.7 billion at a rate of 85.2%. In 2021, tourism receipts declined further to RM0.2 billion at a rate of -98.4% as tourist arrivals dropped to 0.1 million at a rate of 97.7%. The reopening of Malaysia's international borders on 1st April 2022 positively impacted Malaysia's tourism industry as tourism receipts rose to RM28.2 billion (2021: RM0.2 billion) while tourist arrivals rose to 10.1 million (2021: 0.1 million) in 2022.

Malaysia's tourism sector continued to show positive growth in 2023 post the COVID-19 pandemic and transition to endemic phase. For the period of January to September 2023, Malaysia received 14.5 million tourists, in comparison to the 5.6 million tourists received for the period of January to September 2022. Similarly tourism receipts for the first half of 2023 were RM49.3 billion, in comparison to the RM16.4 million recorded for the period of January to September 2022.

The significant drop in the number of tourists and excursionists is attributed to the closure of international borders in response to the spread of the COVID-19 virus. After the World Health Organisation (WHO)'s declaration of COVID-19 as a pandemic on 11 March 2020, the Government of Malaysia imposed the MCO, barring entry of international tourists beginning 18 March 2020.

The Visit Malaysia 2020 campaign, with targets to increase tourist arrivals to 30.0 million and tourism receipts to RM100.0, was aborted in view of the COVID-19 pandemic and MCO imposed on 18 March 2020.

The Government of Malaysia then launched the NTP (2020-2030) in December 2020 to ensure the continuity of the country's tourism industry and position Malaysia a preferred tourist destination globally. Key approaches in achieving the NTP's agenda include effective recovery of the tourism industry based on new norms, strengthening competitiveness, sustainable and inclusive tourism development, as well as disaster risk management. Among the transformation strategies outlined in the NTP is to embrace 'smart tourism'. Advances in digital technology have influenced the way people travel, causing tourism-related businesses to change the way they operate.

Smart tourism aims to improve resource management efficiency, enhance tourism experiences, maximise competitiveness, and enhance sustainability through technological innovation and practices. While the tourism sector has taken a hard blow due to the COVID-19 pandemic, the focus on digitalisation and developing smart products and infrastructure are among initiatives to build a more resilient and sustainable future in Malaysia. The COVID-19 pandemic crisis is pushing the tourism industry to adopt more sustainable tourism practices. Sustainable tourism has the potential to advance urban infrastructure and universal accessibility, promote the regeneration of damaged areas and preserve cultural and natural heritage, assets that depend on tourism.

In efforts to develop Malaysia's tourism landscape into a sustainable, competitive and resilient sector, incentives are provided to encourage existing operators of 4 and 5-star hotels and smart tourism. The MIDA supports quality investments that involve high-value and innovative tourism products and services, and contributes to a comprehensive ecosystem such as special tourism investment zones without compromising on environmental policies and legal requirements. MIDA also encourages companies to invest in modern and higher standard infrastructure and facilities to build up the resilience and long-term competitiveness of the tourism sector in Malaysia.

The Malaysia Tourism Promotion Board ("**Tourism Malaysia**") has been actively promoting domestic tourism through various campaigns in an effort to encourage Malaysians to travel for the local hospitality sector. Under its Tourism Malaysia Marketing Plan 2022 – 2026, Tourism Malaysia is focusing on, amongst others, boosting domestic tourism, enhancing online and offline tourism promotion to boost tourist arrivals to Malaysia post COVID-19 pandemic. Moving forward, Malaysia expects to see a continuation of trend away from mass tourism and towards more flexible, experiential, and individualistic trips such as adventure tourism.

Malaysia's tourism sector is expected to fully recover in 2024 to pre-pandemic levels. Several initiatives have been announced under Budget 2024 to boost the nation's tourism industry, among which include:

- The Government will draft a new legislation to implement a High Value Goods Tax at a rate of 5% to 10% on certain high value items such as jewellery and watches based on the threshold value of the goods. However, as an impetus for the tourism industry, tourists will be allowed to claim the relevant tax refunds before their departure from the country;
- The Government is committed to upgrade existing airports to enhance operational capabilities to meet the increasing influx of investors, traders, and tourists. A total of RM47.0 million will be provided to enhance passenger facilities at Tioman Airport terminals and to extend the existing runway to 1,300 metres;
- Therefore, the next Visit Malaysia Year has been set for 2026, with a target of 26.1 million foreign tourist arrivals and an estimated domestic expenditure of RM97.6 billion;
- The Government will provide RM350.0 million to boost promotion and tourism activities for Malaysia to regain its position as the world's preferred tourist destination. This provision includes among others:
  - (i) organising Visit Malaysia 2026 Campaign;
  - (ii) cooperation with the industry for promotional activities and to organise both domestic and international tourism events;
  - (iii) assistance to more than 200 cultural activists to organise arts and cultural activities;
  - (iv) charter flight matching grants to improve accessibility of international flights into Malaysia; and
  - (v) funds to the Islamic Tourism Centre (ITC) to develop Muslim-friendly tourism industry in Malaysia.
- RM20.0 million will be provided for the benefit of the State Governments to maintain and conserve tourist attractions such as Tasik Timah Tasoh in Perlis, Kenong Rimba Park in Pahang and Pantai Teluk Kemang in Negeri Sembilan;
- A total of RM80.0 million is also provided to preserve and conserve heritage buildings and sites that could potentially be recognised by the United Nations Educational, Scientific and Cultural Organisation (UNESCO), such as Gua Niah, Sarawak; Lembah Bujang, Kedah and Royal Belum, Perak;
- Recognising the significant contribution of the tourism and manufacturing sectors to the development of the country, the Government is committed to introduce new initiatives under the Malaysian Visa Liberalisation Plan, involving the following facilities:
  - (i) facilitate employment pass approvals for strategic investors in key sectors;
  - (ii) introduce long-term social visit pass for international students who have graduated to meet industrial skilled personnel needs; and
  - (iii) improve visa-on-arrival facilities, social visit passes and multiple entry visa offers to encourage the entry of tourists and investors, especially from India and China.
- The Government has also agreed to ease existing conditions for the application of Malaysia My Second Home (MM2H) Programme to increase the arrival of tourists and foreign investors to Malaysia. This improvement is expected to increase investment activities in the Malaysian financial market and the country's real estate industry.

*(Source: Independent Market Research Report dated 11 March 2024 prepared by Providence)*

## 7.5 Prospects of our Group

	<b>Property development</b>	<b>Manufacturing</b>	<b>Tourism services</b>	<b>(1)Others</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>2023</b>				
Total revenue	35,202	47,828	3,566	8,609
Segment profit/(loss) before tax	3,395	(26,806)	(416)	(2,110)
<b>2022</b>				
Total revenue	36,904	68,056	1,947	603
Segment profit/(loss) before tax	8,559	6,113	(808)	(1,565)

### Note:

- (1) Comprises investment holding, trading and other services, neither of which is of a sufficient size to be reported separately.

### Manufacturing segment

In the fourth quarter of FYE 31 March 2023, the Iconic Group commenced the development of a pipeline of new personal care products under the Iconic Medicare brand, along with new glove products that will deliver enhanced value from an Environmental, Social and Governance (ESG) perspective. Our Group's first personal care product (i.e. diaper product) has been launched in September 2023 and the product range is expected to expand by the third quarter of 2024. These initiatives will leverage the established brand presence of Iconic Medicare, as well as the Iconic Group's manufacturing capabilities, to meet projected growth in demand as economies re-open and day-to-day activities increase.

With the world entering into the endemic stage of COVID-19, demand for PPE normalised in FYE 31 March 2023. Correspondingly, the Iconic Group's manufacturing segment reported revenue of RM47.83 million in FYE 31 March 2023, down 29.7% from RM68.06 million a year earlier.

In FYE 31 March 2023, the manufacturing segment contributed RM47.83 million in revenue, or 55.1% of the Iconic Group's revenue (excluding inter-segment revenue). The segment posted LBT of RM26.81 million, as compared to a PBT of RM6.11 million in FYE 31 March 2022 mainly due to impairment on the value of its inventories amounting to approximately RM16.69 million, which was made to account for differences between the initial cost of producing the gloves and masks in its inventories, and the realisable value of those inventories.

The manufacturing segment will continue to spearhead Iconic Group's business direction with contributions from the glove business expected to improve in line with the gradual increase in demand registered for the product since the beginning of the current year. The existing glove production lines will be sufficient and capable of producing the required volume of gloves. The face mask business is expected to experience a gradual decline in volume but will continue and provide the support for the revenue stream of the PPE business segment with the diversified product range (i.e. 3ply face masks, 4ply face masks, duckbill face masks and KF99 face masks). In addition to this, Iconic Group is also exploring into the distribution of high volume consumable related hygiene products such as diapers and wipes.

### Tourism Services Segment

Our Group's tourism segment was involved in the 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. As at the LPD, our Group's tourism segment is mainly involved in the hospitality management services (i.e. hotel management services provided to Iconic Hotel).

In FYE 31 March 2023, the tourism services segment generated RM3.57 million in revenue, or 4.1% of our Group's total topline, up 83.1% from RM1.95 million in FYE 31 March 2022. The increased in revenue was due to recovery in hotel occupancy rate attributed to the increase in tourist arrivals in line with the rebound in the hospitality services segment as well as the tourism industry post MCO.

In terms of its bottom line, the tourism services segment's LBT reduced to RM0.42 million in FYE 31 March 2023 as compared to RM0.81 million in FYE 31 March 2022.

Before the Iconic Group entered the property development and PPE manufacturing segments, Tourism Services segment was our Group's core business segment. However, with COVID-19 lockdowns, the closure of international borders and a protracted decline in tourism activity, the segment's performance was significantly impacted. As the pandemic raged on, Iconic Group discontinued its tourism and tourism-related businesses effective 18 March 2020, with the exception to its hospitality management services.

Moving forward, Iconic Group will likely explore the possibility of reviving its tourism business. This could enable Iconic Group to benefit from the recovery of international tourism arrivals in Malaysia.

### Property Segment

In the fourth quarter of FYE 31 March 2023, the Iconic Group successfully completed and delivered Iconic Point, its maiden property project, to its buyers. Built on a 8.7 acres of land, Iconic Point is the first commercial real estate development in the Simpang Ampat township in Penang. Strategically located near a KTM station and just off the North-South Expressway, Iconic Point features 49 freehold shop offices and a four-story boutique hotel. By quarter 2 of FYE 31 March 2023, Iconic Point was fully taken up, having managed to attract renowned brand tenants including The Coffee Bean & Tea Leaf, McDonald's, Starbucks, Family Mart, CU Mart, ZUS Coffee, Secret Recipe and Watsons.

In FYE 31 March 2023, the Property Development division's revenue was RM35.20 million (comprise of 40.54% of Iconic Group's total revenue), down 4.6% from RM36.90 million in the previous corresponding financial year. The division reported a PBT of RM3.40 million in FYE 31 March 2023 as compared to RM8.56 million in FYE 31 March 2022.

The Iconic Group did not encounter any material impact and delay in completion of our property development projects due to COVID-19 lockdowns. The decline in revenue and PBT for FYE 31 March 2023 was attributable to the lower revenue derived as a result of the completion of our property development project namely the Iconic Point, in September 2022.

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The Iconic Group is expected to launch a new development project in the northern region by end of 2024. The details of the said development project are as follows:

Type of development	:	(i) 751 units of affordable houses (Rumah Mampu Milik); and (ii) 16 units of 2-storey shops and offices
Gross development value	:	Approximately RM259.0 million
Gross development cost	:	Approximately RM219.0 million
Commencement date of development	:	March 2024
Expected completion date of development	:	December 2027

The Iconic Group is also continuously reviewing the prospects of other new development projects to be launched utilising the available land bank of our Group. As at the LPD, our Group has the following lands available for development:

<b>No.</b>	<b>Location</b>	<b>Tenure</b>	<b>Existing use</b>	<b>Land area (sq ft)</b>
1.	Lot 3423 Mukim 6 Seberang Prai Tengah, Pulau Pinang	Freehold	Vacant land	67,889
2.	H.S.(D) 51225-51238 & 51264-51276 Mukim Kulai, Daerah Kulaijaya, Johor	Freehold	Vacant land and shop offices	44,784
3.	Lot 6057 - Lot 6080 Mukim Pasir Panjang Port Dickson, Negeri Sembilan	Freehold	Vacant land	51,817
4.	Lot 61352, 61353 & 62417, Mukim Durian Tunggal, Daerah Alor Gajah, Melaka	Leasehold	Vacant land	728,781

In deciding on the Acquisition, the Board has taken into consideration the location of the Subject Land, which is sited adjacent to a flatted residential development known as Green Garden and it is located along the main thoroughfare of Jalan Paya Terubong. It is also strategically located within a short distance to Bukit Kukus Paired Road connecting Paya Terubong to Relau, and approximately 10.2 km due south west of Kompleks Tun Abdul Razak, about 5.9 km due south of Penang Hill Lower Station and is about 10 km due north of Penang International Airport in Bayan Lepas.

Surrounding residential properties include Green Garden, Majestic Height, Sunmoon City, Taman Oriental, Pine Residences and 2 on-going affordable housing developments known as The Stone and The Dew. Prominent landmarks situated nearby include Pine Valley Business Centre, Goldhill Complex, petrol stations, supermarket, Permata Sports Complex and the proposed Sunway Valley City by Sunway group.

Premised on the above, the Board remains optimistic for the prospects of the Subject Land and its potential development. It is situated in a prominent location with fast growing residential areas and easy accessibility to surrounding facilities. The Board endeavours to carefully deliberate on the most ideal development plan to be undertaken, so as to enhance the attraction of the Subject Land.

## 8. EFFECTS OF THE ACQUISITION AND RIGHTS ISSUE WITH FREE WARRANTS

### 8.1 Share capital

The Acquisition will not have any effect on the issued share capital of Iconic as it does not have any issuance of new shares in Iconic.

The pro forma effects of the Rights Issue with Free Warrants on the share capital of our Company are set out below:

	Minimum Scenario		Maximum Scenario	
	No. of Iconic Shares	RM	No. of Iconic Shares	RM
Existing issued share capital	562,353,272	148,392,603	562,353,272	148,392,603
Issuance of Rights Shares	705,882,353	<sup>(1)</sup> 36,470,588	1,124,706,544	<sup>(1)</sup> 58,109,838
<b>Enlarged share capital after Rights Issue with Free Warrants</b>	<b>1,268,235,625</b>	<b>184,863,191</b>	<b>1,687,059,816</b>	<b>206,502,441</b>
New Shares to be issued assuming full exercise of Warrants	470,588,235	<sup>(2)</sup> 56,470,588	749,804,362	<sup>(2)</sup> 89,976,523
<b>Enlarged share capital</b>	<b>1,738,823,860</b>	<b>241,333,779</b>	<b>2,436,864,178</b>	<b>296,478,964</b>

#### Notes:

- (1) Based on the Issue Price of RM0.085 per Rights Share and after accounting for the creation of RM23,529,412 and RM37,490,218 warrant reserve at a fair value of RM0.05 per Warrant based on the Minimum Scenario and Maximum Scenario, respectively.
- (2) Based on the Warrants Exercise Price and after accounting for the reversal of RM23,529,412 and RM37,490,218 warrant reserve based on the Minimum Scenario and Maximum Scenario, respectively.

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

(6) The shareholders of Modern Rewards and their respective shareholdings are set out below:

<b>Shareholders</b>	<b>No. of ordinary shares held</b>	<b>%</b>
Dato' Seri Tan Kean Tet	260,000	46.0
Tan Seok Ying	100,000	18.0
Tan Cho Chia	100,000	18.0
Tan Cho Chuan	100,000	18.0
<b>Total</b>	<b>560,000</b>	<b>100.0</b>

**Maximum Scenario**

	As at the LPD		After the Rights Issue with Free Warrants (I)	
	Direct		Direct	
	No. of Shares	(1)%	No. of Shares	(2)%
Dato' Seri Tan Kean Tet	52,639,154	9.36	157,917,462	9.36
Modern Rewards <sup>(6)</sup>	57,324,840	10.19	171,974,520	10.19
Tan Cho Chia	1,300,000	0.23	3,900,000	0.23
			(4)282,399,720	16.74
			(5)110,425,200	6.55

**(II)**

**After (I) and assuming full exercise of Warrants**

	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Dato' Seri Tan Kean Tet	228,103,000	9.36	(4)407,910,707	16.74
Modern Rewards <sup>(6)</sup>	248,407,640	10.19	-	-
Tan Cho Chia	5,633,333	0.23	(5)159,503,066	6.55

**Notes:**

(1) Based on the existing issued share capital of 562,353,272 Shares.

(2) Based on the issued share capital of 1,687,059,816 Shares after the Rights Issue with Free Warrants.

- (3) Based on the issued share capital of 2,436,864,178 Shares assuming full exercise of the Warrants.
- (4) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd, Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) and Modern Rewards pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Act.
- (6) The shareholders of Modern Rewards and their respective shareholdings are set out below:

Shareholders	No. of ordinary shares held	%
Dato' Seri Tan Kean Tet	260,000	46.0
Tan Seok Ying	100,000	18.0
Tan Cho Chia	100,000	18.0
Tan Cho Chuan	100,000	18.0
<b>Total</b>	<b>560,000</b>	<b>100.0</b>

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### 8.3 Losses and LPS

The effects of the Rights Issue with Free Warrants on the consolidated earnings and LPS of our Company will depend on, amongst others, the number of Rights Shares to be issued and the level of returns generated from the use of the proceeds to be raised from the Rights Issue with Free Warrants.

The Rights Issue with Free Warrants is expected to contribute to the future earnings of Iconic Group as the proceeds to be raised from the Rights Issue with Free Warrants will be mainly utilised for the Acquisition and working capital for our Group's PPE business.

However, the LPS may be proportionately diluted as a result of the increase in the number of Iconic Shares following the issuance of the Rights Shares and any new Shares arising from the exercise of the Warrants.

For illustration purposes only, the pro forma effect on the consolidated losses and losses per Share assuming the Rights Issue with Free Warrants had been effected at the beginning of FYE 31 March 2023, are set out below:

	Minimum Scenario			Maximum Scenario		
	LAT (RM'000)	No. of Shares ( '000)	LPS (sen)	LAT (RM'000)	No. of Shares ( '000)	LPS (sen)
Audited LAT attributable to owners of our Company for FYE 31 March 2023	(24,651)	562,353	(4.38)	(24,651)	562,353	(4.38)
After Rights Issue with Free Warrants	(24,651)	1,268,235	(1.94)	(24,651)	1,687,060	(1.46)
After Acquisition and Utilisation of Proceed	<sup>(i)</sup> (26,151)	1,268,235	(2.06)	<sup>(i)</sup> (26,151)	1,687,060	(1.55)
Assuming full exercise of Warrants	(26,151)	1,738,823	(1.50)	(26,151)	2,436,864	(1.07)

**Note:**

- (i) After deducting the estimated expenses relating to the Proposals of approximately RM1.50 million.

### 8.4 Convertible securities

Our Company does not have any other existing convertible securities as at the LPD.

## 8.5 NA and gearing

Based on the unaudited consolidated financial statements of Iconic as at 31 December 2023, the pro forma effects of the Acquisition and Rights Issue with Free Warrants on the consolidated NA and gearing position of the Iconic are shown below:

### Minimum Scenario

	(I)	(II)	(III)	
	Unaudited as at 31 December 2023	After the Rights Issue with Free Warrants	After (I) and the Completion of Acquisition and Utilisation of Proceeds	After (II) and assuming full exercise of all Warrants
	RM'000	RM'000	RM'000	RM'000
Share capital	148,393	<sup>(1)</sup> 184,864	184,864	<sup>(5)</sup> 241,335
Revaluation reserve	24,184	24,184	24,184	24,184
Capital reserve	1,582	1,582	1,582	1,582
Warrant reserve	-	<sup>(2)</sup> 23,529	23,529	<sup>(5)</sup> -
Accumulated losses	(12,091)	(12,091)	<sup>(3)</sup> (13,591)	(13,591)
<b>Shareholders' funds/NA</b>	<b>162,068</b>	<b>222,068</b>	<b>220,568</b>	<b>253,510</b>
Non-controlling interest	(123)	(123)	(123)	(123)
<b>Total equity</b>	<b>161,945</b>	<b>221,945</b>	<b>220,445</b>	<b>253,387</b>
No. of Iconic Shares ('000)	562,353	<sup>(1)</sup> 1,268,235	1,268,235	<sup>(5)</sup> 1,738,823
NA per Share attributable to Shareholders (RM)	0.29	0.18	0.17	0.15
Interest bearing borrowings (RM'000)	100,512	100,512	<sup>(4)</sup> 88,126	88,126
Gearing (times)	0.62	0.45	0.40	0.35

### Notes:

- (1) Based on the issuance of 705,882,353 Rights Shares at the Issue Price of RM0.085 per Rights Share.
- (2) After accounting for the creation of RM23,529,412 warrant reserve based on the issuance of 470,588,235 Warrants at a fair value of RM0.050 per Warrant (computed based on the Trinomial option pricing model with data sourced from Bloomberg).
- (3) After deducting the estimated expenses of RM1.50 million for the Proposals.
- (4) After adjusting for the utilisation of proceeds pursuant to the Rights Issue with Free Warrants for the partial repayment of bank borrowings amounting to RM12.39 million.
- (5) Based on the exercise of 470,588,235 Warrants at the Warrants Exercise Price of RM0.070 per Warrant and after accounting for the reversal of RM23,529,412 warrant reserve.

**Maximum Scenario**

	(I)	(II)	(III)
	After the Rights Issue with Free Warrants	After (I) and the Completion of Acquisition and Utilisation of Proceeds	After (II) and assuming full exercise of all Warrants
Unaudited as at 31 December 2023	RM'000	RM'000	RM'000
Share capital	148,393	<sup>(1)</sup> 206,503	<sup>(1)</sup> 206,503
Revaluation reserve	24,184	24,184	24,184
Capital reserve	1,582	1,582	1,582
Warrant reserve	-	<sup>(2)</sup> 37,490	<sup>(5)</sup> -
Accumulated losses	(12,091)	(12,091)	<sup>(3)</sup> (13,591)
<b>Shareholders' funds/NA</b>	<b>162,068</b>	<b>257,668</b>	<b>308,654</b>
Non-controlling interest	(123)	(123)	(123)
<b>Total equity</b>	<b>161,945</b>	<b>257,545</b>	<b>308,531</b>
No. of Iconic Shares ('000)	562,353	<sup>(1)</sup> 1,687,060	<sup>(5)</sup> 2,436,864
NA per Share (RM)	0.29	0.15	0.13
Interest bearing borrowings (RM'000)	100,512	100,512	<sup>(4)</sup> 62,832
Gearing (times)	0.62	0.39	0.20

**Notes:**

- (1) Based on the issuance of 1,124,706,544 Rights Shares at the Issue Price of RM0.085 per Rights Share.
- (2) After accounting for the creation of RM37,490,218 warrant reserve based on the issuance of 749,804,362 Warrants at a fair value of RM0.050 per Warrant (computed based on the Trinomial option pricing model with data sourced from Bloomberg).
- (3) After deducting the estimated expenses of RM1.50 million for the Proposals.
- (4) After adjusting for the utilisation of proceeds pursuant to the Rights Issue with Free Warrants for the partial repayment of bank borrowings amounting to RM37.68 million.
- (5) Based on the exercise of 749,804,362 Warrants at the Warrants Exercise Price of RM0.070 per Warrant and after accounting for the reversal of RM37,490,218 warrant reserve.

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## 9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

### 9.1 Working capital and sources of liquidity

Our Group's working capital is funded through cash generated from operating activities, credit extended by suppliers, credit facilities from financial institutions/lenders as well as our Group's existing cash and bank balances.

As at LPD, we hold cash and bank balances of RM2.09 million as well as fixed deposits of RM3.51 million. Save for the cash and bank balances and term loan facilities of RM5.60 million, our Group presently do not have access to any other material unused sources of liquidity as at the LPD.

Our Board confirms that, after taking into consideration the funds generated from our Group's operations, the financing facilities available to our Group as well as the proceeds to be raised from the Rights Issue with Free Warrants, our Group will have sufficient working capital available for a period of 12 months from the date of this Abridged Prospectus.

### 9.2 Borrowings

As at LPD, our Group's total outstanding borrowings (all of which are interest bearing and denominated in RM) are set out below:

<b>Borrowings</b>	<b>Outstanding amount as at LPD RM'000</b>
<b>Short term borrowing (Secured)</b>	
Term loans <sup>(1)</sup>	11,990
Trade facilities <sup>(2)</sup>	9,825
Hire-purchase <sup>(3)</sup>	17
<b>Long term borrowing (Secured)</b>	
Term loans <sup>(1)</sup>	73,935
Hire-purchase	-
	<b>95,767</b>

#### Notes:

- (1) Being term loans to finance the purchase of land, construction of manufacturing plant and the acquisition of machinery, ancillary equipment as well as installation of related piping and fittings.
- (2) Being trade facilities to finance sales of gloves and purchases of raw materials and manufacturing consumables for glove production.
- (3) Being hire-purchase facilities to finance the purchase of motor vehicles.

Our Group has not incurred any foreign borrowings/financing. There has not been any default on payments or either interest and/or principal sums on any borrowings throughout the past 1 financial year and subsequent financial period up to the LPD.

### 9.3 Material commitments

Saved as disclosed below, as at LPD, our Board confirms that there are no material capital commitments, incurred or known to be incurred by our Group, which upon becoming due or enforceable, may have a material impact on the financial position or business of our Group:

- (i) The Acquisition which entails the acquisition of the Sale Shares by Iconic, representing 100% equity interest in Goldenluck from the Vendors for the Purchase Consideration, subject to the terms and conditions of the SPA.

Pursuant to the terms of the SPA, the Vendors have agreed to sell and Iconic has agreed to purchase the Sale Shares free from all claims, liens, charges and encumbrances and with full legal and beneficial title and with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof) with effect from the completion date.

#### **9.4 Contingent liabilities**

As at LPD, our Board confirms that there are no other contingent liabilities, incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on the financial position or business of our Group:

#### **9.5 Material transactions**

Our Board confirms that save for the Proposals, there are no other transactions which may have a material effect on our operations, financial position and results since the latest unaudited consolidated financial statements of our Group for FPE 31 December 2023.

### **10. INSTRUCTIONS FOR ACCEPTANCE, SALE/TRANSFER, PAYMENT AND EXCESS APPLICATION**

This Abridged Prospectus and the RSF contain full instructions for the acceptance of and payment for the Provisional Allotments as well as the Excess Rights Shares with Warrants applications and the procedures to be followed if you and/or your renounee(s)/transferee(s) (if applicable) wish to sell or transfer all or any part of your/his rights entitlement. You and/or your renounee(s) and/or transferee(s) (if applicable) are advised to read this Abridged Prospectus, the RSF and the notes and instructions printed therein carefully. The RSF must not be circulated unless accompanied by this Abridged Prospectus.

#### **10.1 General**

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Free Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF which is to be used for the acceptance of the Provisional Allotments, and for the application of any Excess Rights Shares with Warrants under excess application, should you wish to do so.

This Abridged Prospectus and RSF are also available at the registered office of our Company, our Share Registrar's office or on Bursa Securities' website (<http://www.bursamalaysia.com>).

#### **10.2 NPA**

The Provisional Allotments are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Allotments will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making their applications.

### 10.3 Last date and time of acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments and the Excess Rights Shares with Warrants is on Friday, 12 April 2024 at 5.00 p.m., or such later date and time as may be determined and announced by our Board at their absolute discretion.

Within 5 Market Days after the Closing Date, we will make the relevant announcement on Bursa Securities' website in relation to the subscription rate of the Rights Issue with Free Warrants and the outcome of the allocation of the Excess Rights Shares with Warrants.

### 10.4 Methods of acceptance and application

You may subscribe for the Provisional Allotments as well as apply for Excess Rights Shares with Warrants, if you choose to do so, using either of the following methods:

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
e-Subscription via TIIH Online	All Entitled Shareholders

### 10.5 Procedure for full acceptance and payment

#### 10.5.1 By way of RSF

Acceptance and payment for the Provisional Allotments allotted to you as an Entitled Shareholder and/or your renouncee(s) and/or transferee(s) (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

**FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR PROVISIONAL ALLOTMENTS, EXCESS RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR/THEIR ENTITLEMENTS, ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.**

**YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.**

You and/or your renouncee(s) and/or transferee(s) (if applicable) accepting the Provisional Allotments are required to complete Part I(A) and Part II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment and copy of the STAMP CERTIFICATE must be despatched by **ORDINARY POST, COURIER or DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

**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

or



Tricor Customer Service Centre  
Unit G-3, Ground Floor, Vertical Podium  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

Telephone number: 03-2783 9299

so as to arrive not later than 5.00 p.m. on Friday, 12 April 2024, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board.

If you and/or your renounee(s) and/or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/or your renounee(s) and/or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<http://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of provisionally allotted Rights Shares with Warrants standing to the credit of more than 1 CDS Account. If successful, Rights Shares with Warrants subscribed by you and/or your renounee(s) and/or transferee(s) (if applicable) will be credited into the respective CDS Accounts where the provisionally allotted Rights Shares with Warrants are standing to the credit.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSFs by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

The minimum number of Rights Issue that can be subscribed for or accepted is 1 Rights Share. However, you and/or your renounee(s) and/or transferee(s) (if applicable) should take note that a trading board lot for the Rights Issue comprises of 100 Rights Shares. Fractions of Rights Shares, if any, shall be disregarded, and dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

Successful applicants of the Rights Shares will be given free attached Warrants on the basis of 2 Warrants for every 3 Rights Shares successfully subscribed for. The minimum number of Rights Shares that can be subscribed for or accepted is 1 Rights Share. However, you should take note that a trading board lot for the Rights Shares with Free Warrants will comprise 100 Rights Shares and 100 Warrants respectively. Fractional entitlements arising from the Rights Issue with Free Warrants will be disregarded and dealt with by our Board as they may deem fit and expedient and in the best interest of our Company.

If acceptance and payment for the Rights Shares with Free Warrants provisionally allotted to you and/or your renounee(s) and/or transferee(s) (if applicable) is not received by the Share Registrar on Friday, 12 April 2024 by 5.00 p.m., being the last date and time for acceptance and payment, or such extended date and time as may be determined and announced by our Board at their discretion, you and/or your renounee(s) (if applicable) will be deemed to have declined the Provisional Allotments made to you and/or your renounee(s) (if applicable) and it will be cancelled.

Such Rights Shares with Free Warrants not taken up by you will be allotted to the applicants applying for Excess Rights Shares with Warrants. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board reserves the right not to accept or to accept in part only any application without providing any reasons.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RM FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN**

**MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "ICONIC RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND CDS ACCOUNT NUMBER OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR BY CLOSING DATE.**

**APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH FREE WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPACHED BY ORDINARY POST TO YOU AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.**

**APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

**YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.**

**IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL APPLICATIONS, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED DIRECTLY TO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/DISTRIBUTION. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY, THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPACHED TO YOU WITHIN 15 MARKET DAYS FROM THE CLOSING DATE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.**

**ALL RIGHTS SHARES AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH FREE WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES AND WARRANTS INTO THE CDS ACCOUNTS OF THE SUCCESSFUL APPLICANTS. NO PHYSICAL SHARE CERTIFICATES WILL BE ISSUED.**

Stamp Duty Payable

Pursuant to Section 4(1) of the Stamp Act 1949, the RSF is deemed to be an agreement and an instrument chargeable with stamp duty. In the event that you wish to accept the Provisional Allotments that you are entitled to, you are required to comply with the requirement of paying the appropriate stamp duty imposed on the RSF, which is RM10.00.

However, effective 1 January 2024, the Inland Revenue Board of Malaysia ("IRBM") has terminated the usage of revenue stamp as a stamping method at all IRBM stamping duty counters and district stamping offices.

In connection thereto, you may NOW pay the stamp duty using the following options:

- (i) accept the Provisional Allotments through e-Subscription via TIIH Online at <https://tiih.online> whereby the stamp duty payable is paid to TIIH Online together with payment for Provisional Allotments electronically via the same website. In this option, you are not required to submit the physical RSF to our Share Registrar. Please refer to Section 10.5.2 of this Abridged Prospectus for the instructions and terms and conditions for the electronic subscription via TIIH Online; or
- (ii) accept the Provisional Allotments using RSF in which case you are required to pay the stamp duty via IRBM system namely Stamp Duty Assessment and Payment System ("STAMPS") at <https://stamps.hasil.gov.my>. The payment of stamp duty must be made via the FPX medium or Bill Payment (CIMB Bizz Channel/Public Bank) from the same link. The Stamp Certificate / Official Receipt will be issued via STAMPS as a proof of payment of stamp duty and thereafter submit the STAMP CERTIFICATE together with the physical RSF to our Share Registrar. Please refer to Section 10.5.1 of this Abridged Prospectus for the instructions and terms and conditions for the election via hardcopy RSF.

### 10.5.2 By way of e-Subscription via TIIH Online

The e-Subscription is available to you upon your login to the Share Registrar's TIIH Online at <https://tiih.online>. You are advised to read instructions as well as the terms and conditions of the e-Subscription. The e-Subscription is available to all Entitled Shareholders.

Registered Entitled Shareholder who wish to subscribe for the Provisional Allotments and apply for Excess Rights Shares with Warrants by way of e-Subscription shall take note of the following:-

- (i) any e-Subscription received by the Share Registrar after the Closing Date shall be regarded as null and void and of no legal effect unless our Board in its absolute discretion determines otherwise;
- (ii) you may choose to subscribe the Rights Shares with Free Warrants which you are entitled to in whole or part thereof as stipulated in this Abridged Prospectus. Any verified as valid e-Subscription, once received by the Share Registrar from you, is irrevocable and shall be binding on you;
- (iii) the e-Subscription made must be in accordance with the procedures of submitting e-Subscription using TIIH online, terms and conditions of e-Subscription, this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete or incorrectly completed e-RSF submitted via TIIH Online may or may not be accepted at the absolute discretion of our Board;
- (iv) the number of Rights Shares you are entitled to under the Rights Issue is set out in the e-RSF. You are required to indicate the number of Rights Shares you wish to accept and number of Excess Rights Shares you wish to apply in the e-RSF;
- (v) each subscription of e-RSF must be accompanied by the remittance in RM which is to be made through online payment gateway or telegraphic transfer;
- (vi) a handling fees of RM5.00 per e-RSF is payable should you make e-Subscription. You will also need to pay a stamp duty of RM10.00 for each e-RSF; and
- (vii) the new Iconic Shares arising from the Provisional Allotments accepted and Excess Rights Shares with Warrants applied (if successful pursuant to the procedures for Excess Rights Shares application as set out in Section 10.9 of this Abridged Prospectus) will be issued and credited into your CDS Account as stated in the Record of Depositors as at the last date for transfer of Provisional Allotments.

**Procedures to make e-Subscription**

All Entitled Shareholders who wish to opt for e-Subscription, please read and follow the procedures as below:-

**(i) Sign up as a user of TIIH Online**

- (a) access TIIH Online at <https://tiih.online>;
- (b) under e-Services, select "Sign Up" – "Create Account by Individual holder" (applicable for individual shareholders) or "Create Account by Representative of Corporate Holder" (applicable for corporation or institutional shareholders). You may refer to the tutorial guide posted on the homepage for assistance;
- (c) registration will be verified and you will be notified by email within two (2) Market Days; and
- (d) proceed to activate your account with temporary password given in the email and reset your own password.

Note: An email address is allowed to be used once to register as a new user account, and the same email address cannot be used to register another user account. If you are already a user of TIIH Online, you are not required to sign up again. If you are signing up to represent Corporate Holder Account(s), please contact our Share Registrar for further details and requirements.

**(ii) Procedures to make e-Subscription**

**A. Individual Registered Entitled Shareholders**

- (a) login to TIIH Online at <https://tiih.online>;
- (b) select the corporate exercise name: **ICONIC WORLDWIDE BERHAD RIGHTS ISSUE**;
- (c) read and agree to the Terms and Conditions and confirm the declaration;
- (d) preview your CDS Account details and your Provisional Allotments;
- (e) select the relevant CDS Account and insert the number of Provisional Allotments to subscribe and the number of Excess Rights Shares with Warrants to apply (if applicable) in the e-RSF;
- (f) review and confirm the number of Provisional Allotments which you are subscribing and the number of Excess Rights Shares with Warrants which you are applying (if applicable) and the total amount payable for the Provisional Allotments and Excess Rights Shares with Warrants (if applicable)
- (g) review the payment of stamp duty at RM10.00 for each e-RSF and handling fees of RM5.00 for each e-RSF which is included in the total amount payable;
- (h) proceed to pay via online payment gateway either through Maybank2U or any Financial Process Exchange (FPX) participating bank which you have an internet banking account;
- (i) as soon as the online payment is completed, a confirmation message with details of your subscription and payment from TIIH Online and the relevant payment gateway will be sent to you to your registered email address; and

- (j) print the payment receipt and your e-RSF for your reference and record.

**B. Corporation or institutional Registered Entitled Shareholders**

- (a) login to TIIH Online at <https://tiih.online>;
- (b) select the corporate exercise name: **ICONIC WORLDWIDE BERHAD RIGHTS ISSUE**
- (c) read and agree to the Terms and Conditions and confirm the declaration;
- (d) proceed to download the e-RSF file of Provisional Allotments;
- (e) preview the respective CDS Account details and its Provisional Allotments;
- (f) arrange to pay for the subscription of Provisional Allotments and Excess Rights Shares with Warrants (if applicable) via telegraphic transfer into our designated bank accounts as follows:

**Acceptance of Rights Shares with Free Warrants**

Name of account : ICONIC RIGHTS ISSUE ACCOUNT  
Name of bank : Malayan Banking Berhad  
Bank account no. : 5140 1248 4525

**Application of Excess Rights Shares with Warrants**

Name of account : ICONIC EXCESS RIGHTS ISSUE ACCOUNT  
Name of bank : Malayan Banking Berhad  
Bank account no. : 5140 1248 4532

- (g) arrange to pay stamp duty at RM10.00 for each e-RSF and handling fees of RM2.00 for each e-RSF into our Share Registrar's bank account as follows:

Name of account : Tricor Investor & Issuing House Services Sdn Bhd  
Name of bank : Malayan Banking Berhad  
Bank account no. : 514012025081

- (h) once payments are completed, prepare the submission of your subscriptions by translating the data into the "e-RSF file of the Provisional Allotments"
- (i) login to TIIH Online, select corporate exercise name: **ICONIC WORLDWIDE BERHAD RIGHTS ISSUE** and proceed to upload the subscription file duly completed;
- (j) select "Submit" to complete your submission; and
- (k) print the confirmation report of your submission for your record.

If you encounter any problems during the registration or submission, please email to our Share Registrar at [is.enquiry@my.tricorglobal.com](mailto:is.enquiry@my.tricorglobal.com) or call at (60) 3 2783 9299 for assistance.

**Terms and Conditions of e-Subscription**

The e-Subscription of Provisional Allotments and Excess Rights Shares (if successful), shall be made on and subject to the terms and conditions appearing herein:-

- (i) after login to TIIH Online, you are required to confirm and declare the following

information given are true and correct:

- (a) you have attained 18 years of age as at the last day for subscription and payment;
  - (b) you have, prior to making the e-Subscription, received a printed copy of this Abridged Prospectus and/or have had access to this Abridged Prospectus from Bursa Securities' website at <https://www.bursamalaysia.com>, the contents of which you have read and understood; and
  - (c) you agree to all the terms and conditions for the e-Subscription as set out in this Abridged Prospectus and have carefully considered the risk factors as set out in Section 6 of this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the e-Subscription application;
- (ii) you agree and undertake to subscribe for and to accept the number of Provisional Allotments and Excess Rights Shares with Warrants applied for (if applicable) as stated in the e-RSF. Your confirmation of your subscription will signify, and will be treated as, your subscription of the number of Rights Shares that may be allotted to you;
  - (iii) by making and completing your e-Subscription, you, if successful, request and authorise our Share Registrar or our Company to credit the Rights Shares allotted to you into your CDS Account;
  - (iv) you acknowledge that your e-Subscription is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company or our Share Registrar and irrevocably agree that if:
    - (a) our company or our Share Registrar does not receive your e-Subscription; or
    - (b) data relating to your e-Subscription application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Share Registrar,you will be deemed not to have made an e-Subscription and you may not make any claim whatsoever against our Company or our Share Registrar for the Provisional Allotments accepted and/or Excess Rights Shares with Warrants applied for or for any compensation, loss or damage relating to the e-Subscription;
  - (v) you will ensure that your personal particulars recorded with TIIH Online and Bursa Depository are correct. Otherwise, your e-Subscription may be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification on the outcome of your e-Subscription will be sent to your address last maintained with Bursa Depository;
  - (vi) by making and completing an e-Subscription, you agree that:
    - (a) in consideration of our Company agreeing to allow and accept your e-Subscription for the Provisional Allotments and Excess Rights Shares with Warrants applied (if applicable), your e-Subscription is irrevocable and cannot be subsequently withdrawn; and
    - (b) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.
  - (vii) notification on the outcome of your e-Subscription for the Provisional Allotments and Excess Rights Shares with Warrants will be despatched to you by ordinary post to the address as shown in the Record of Depositors of our Company at your own risk within the timelines as follows:

- (a) successful application - a notice of allotment will be despatched within 8 Market Days from the last day for application and payment for the Rights Shares; or
- (b) unsuccessful/partially successful application - the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account if you have registered such bank account information to Bursa Depository for the purposes of cash dividend/distribution. If you have not registered such bank account information to Bursa Depository the refund will be by issuance of cheque and sent by ordinary mail to your last address maintained with Bursa Depository at your own risk.

If acceptance of and payment for the Provisional Allotments allotted to you are not received (whether in full or in part) by our Share Registrar by 5:00 p.m. on the Closing Date, such Provisional Allotments will be deemed to have been declined and will be cancelled. Our Board will then have the right to allot such Rights Shares not taken up to applicants who have applied for Excess Rights Shares with Warrants in the manner as set out in Section 10.9 of this Abridged Prospectus.

#### **10.6 Procedure for part acceptance**

If you do not wish to accept the Provisional Allotments in full, you are entitled to accept part of your entitlements that can be subscribed/applied for. The minimum number of Rights Shares that may be subscribed for or accepted is 1 Rights Share. However, the Warrants will be issued in the proportion of 2 Warrants for every 3 Rights Share subscribed.

You may refer to the procedures set out in Section 10.5 of this Abridged Prospectus.

**YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.**

The portion of the Provisional Allotments that have not been accepted will be made available to applicants for excess applications.

#### **10.7 Procedure for sale or transfer of Provisional Allotments**

As the Provisional Allotments are prescribed securities, you and/or your renouncee(s) (if applicable) may sell/transfer all or part of your entitlement to the Rights Shares with Free Warrants to 1 or more person(s) through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Accounts.

To sell/transfer of all or part of your entitlement to the Rights Shares with Free Warrants, you and/or your renouncee(s) (if applicable) may sell such entitlement in the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository. Please refer to Section 10.5 of this Abridged Prospectus for the procedures of acceptance and payment by way of RSF.

In selling/transferring all or part of your Provisional Allotments, you and/or your renouncee(s) (if applicable) need not deliver any document including the RSF, to the stockbroker. However, you and/or your renouncee(s) (if applicable) must ensure that there is sufficient Provisional Allotments standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchasers or transferees of the Provisional Allotments may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar, or at our Registered Office. This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

## 10.8 Procedure for acceptance by renounee(s) and/or transferee(s)

Renounee(s) and/or transferee(s) who wish to accept the provisionally allotted Rights Shares with Free Warrants must obtain a copy of the RSF from their stockbrokers, our Share Registrar, or at our Registered Office or from the Bursa Securities' website (<http://www.bursamalaysia.com>) and complete the RSF, submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 10.5 of this Abridged Prospectus also applies to renounee(s) and/or transferee(s) who wish to accept the provisionally allotted Rights Shares with Free Warrants.

**RENOUNEE(S) AND/OR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENT OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF CAREFULLY.**

## 10.9 Procedure for excess application

### 10.9.1 By way of RSF

As an Entitled Shareholder, you and/or your renounee(s) and/or transferee(s) (if applicable) may apply for Excess Rights Shares with Warrants in addition to the Provisional Allotments by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for) to our Share Registrar at the address set out above, so as to arrive **not later than 5.00 p.m. on Friday, 12 April 2024**, being the last time and date for acceptance and payment, or such extended time and date as may be determined by our Board. Payment for the Excess Rights Shares with Warrants applied for should be made in the same manner set out in Section 10.5 of this Abridged Prospectus, except that the Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed "**A/C PAYEE ONLY**" and made payable to "**ICONIC EXCESS RIGHTS ISSUE ACCOUNT**" and endorsed on the reverse side with the name and CDS Account Number of the applicant in block letters to be received by our Share Registrar.

Our Board reserves the right to allot the Excess Rights Shares with Warrants applied for under Part I(B) of the RSF, in a fair and equitable basis and in such manner as they in their absolute discretion deem fit and expedient in the best interest of our Company and that the intention of our Board as set out below are achieved. It is the intention of our Board to allot the Excess Rights Shares with Warrants in the following priority, in the event that the Rights Issue with Free Warrants are oversubscribed:

- (i) Firstly, to minimise the incidence of odd lots;
- (ii) Secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lots, calculated based on their respective shareholdings as per their CDS accounts as at the Entitlement Date;
- (iii) Thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights Shares with Warrants application; and
- (iv) Fourthly, for allocation to transferee(s); and/or renounee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights Shares with Warrants application.



The Excess Rights Shares with Warrants will firstly be allocated to minimise the odd lots (if any) held by each applicant of Excess Rights Shares with Warrants. Thereafter, the Excess Rights Shares with Warrants will be allocated in the order of (ii) to (iv), and any balance thereafter will be allocated in the same sequence of allocation, i.e. items (ii) to (iv) until all Excess Rights Shares with Warrants are allotted. Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the priority set out in (i) to (iv) are achieved. Our Board also reserves the right not to accept or to accept any application for Excess Rights Shares with Warrants, in full or in part, without assigning any reason.

**APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO YOU AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.**

**APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

**YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.**

**IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED DIRECTLY INTO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY FOR THE PURPOSES OF CASH DIVIDEND/DISTRIBUTION. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY, THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU WITHIN 15 MARKET DAYS FROM THE CLOSING DATE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.**

#### **10.9.2 By way of e-Subscription**

You and/or your renounee(s) and/or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement via e-Subscription in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in Section 10.5.2 of this Abridged Prospectus. The e-Subscription for Excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in Section 10.5.2 of this Abridged Prospectus.

Any Rights Shares with Warrants which are not taken up or not validly taken up by you and/or your renounee(s) and/or transferee(s) (if applicable) shall be made available for Excess Rights Shares with Warrants. It is the intention of our Board to allot the Excess Rights Shares with

Warrants, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 10.9.1 above.

#### **10.10 Form of issuance**

Bursa Securities has already prescribed our Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Free Warrants are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share or warrant certificates will be issued to you under the Rights Issue with Free Warrants. Instead, the Rights Shares with Free Warrants will be credited directly into your CDS Accounts. The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

A notice of allotment will be despatched to you and/or your renounee(s) and/or transferee(s) (if applicable) by ordinary post to the address shown in our Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

Where the Rights Shares and the Warrants are provisionally allotted to the Entitled Shareholders in respect of their existing Iconic Shares standing to the credit in their CDS Account as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Rights Shares with Free Warrants shall mean that they consent to receive such Provisional Rights Shares with Free Warrants as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who intends to subscribe for the Rights Shares with Free Warrants as a renounee by purchasing the Provisional Allotments of Rights Shares with Free Warrants from an Entitled Shareholder will have his Rights Shares with Free Warrants credited directly as prescribed securities into his CDS Account.

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his CDS Account.

#### **10.11 Laws of foreign jurisdictions**

This Abridged Prospectus, the NPA and the RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue with Free Warrants will not be made or offered in any foreign jurisdiction.

Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) may only accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Free Warrants only to the extent that it would be lawful to do so.

M&A Securities, our Company, our Board and officers and other experts would not, in connection with the Rights Issue with Free Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are or may be subject to. Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of

the jurisdictions to which they are or may be subject to. M&A Securities, our Company, our Board and officers and other experts shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, this Abridged Prospectus together with the accompanying documents will not be sent to the foreign Entitled Shareholders and/or thecee(s) and/or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders and/or thecee(s) and/or transferee(s) (if applicable) may collect the Abridged Prospectus including the accompanying documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

The foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against M&A Securities or us in respect of their rights and entitlements under the Rights Issue with Free Warrants. Such foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Free Warrants.

By signing any of the forms accompanying this Abridged Prospectus, the NPA, and the RSF, the foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) M&A Securities, our Company and our Board and officers and other experts that:

- (i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Free Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are or may be subject to;
- (ii) they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;
- (iii) they are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- (iv) they are aware that the Rights Shares with Free Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) they have respectively received a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Free Warrants; and
- (vi) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Free Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Free Warrants.

Persons receiving this Abridged Prospectus, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, NPA and RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares with Free Warrants from any such application by foreign Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in its absolute discretion, to treat any acceptance of the Rights Shares with Free Warrants as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

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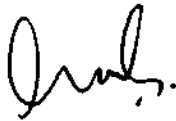
**11. TERMS AND CONDITIONS**

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Free Warrants is governed by the terms and conditions as set out in this Abridged Prospectus, the Deed Poll, the NPA and RSF enclosed herewith.

**12. FURTHER INFORMATION**

You are advised to refer to the ensuing appendices for further information.

Yours faithfully,  
for and on behalf of our Board of Directors,  
**ICONIC WORLDWIDE BERHAD**



**LEOW CHAN KHIANG**  
Independent Non-Executive Director

**INFORMATION ON OUR GROUP****1. SHARE CAPITAL**

As at LPD, our issued share capital is RM148,392,603 comprising 562,353,272 Iconic Shares.

**2. BOARD OF DIRECTORS**

The details of our Board are set out below:

<b>Name (<i>Designation</i>)</b>	<b>Age</b>	<b>Address</b>	<b>Nationality</b>
Dato' Seri Tan Kean Tet ( <i>Executive Chairman</i> )	62	23, Lorong 9, Taman Tambun Indah, 14100 Simpang Ampat, Pulau Pinang	Malaysian
Tan Cho Chia ( <i>Managing Director</i> )	33	23, Lorong 9, Taman Tambun Indah, 14100 Simpang Ampat, Pulau Pinang	Malaysian
Tan Seok Ying ( <i>Executive Director</i> )	40	1B2-5-2, The Light Collection 1, Jalan Pantai Sinaran, 11700 Gelugor, Pulau Pinang	Malaysian
Jason Chung Wei Chiun ( <i>Executive Director</i> )	45	1B2-5-2, The Light Collection 1, Jalan Pantai Sinaran, 11700 Gelugor, Pulau Pinang	Malaysian
Leow Chan Kiang ( <i>Independent Non-Executive Director</i> )	58	47, Medan Terengganu, 11600 George Town, Pulau Pinang	Malaysian
Chia Yuet Yoong ( <i>Independent Non-Executive Director</i> )	66	No. 9, Jalan Jemerlang Kuning Sierra Mas, 47000 Sungai Buloh, Selangor	Malaysian
Lee Eng Eow ( <i>Independent Non-Executive Director</i> )	50	22, Lorong Batu Gajah, Bukit Dumbar Residences, 11600 George Town, Pulau Pinang	Malaysian

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**INFORMATION ON OUR GROUP (cont'd)****3. HISTORICAL SHARE PRICE PERFORMANCE**

The monthly highest and lowest market prices of Iconic Shares as traded on Bursa Securities for the past 12 months are as follows:

	<b>High (RM)</b>	<b>Low (RM)</b>
<b>2023</b>		
February	0.1450	0.1150
March	0.1350	0.1150
April	0.1450	0.1200
May	0.1550	0.1050
June	0.1350	0.1150
July	0.1300	0.1150
August	0.1250	0.1100
September	0.1300	0.1100
October	0.1250	0.1050
November	0.1250	0.1050
December	0.1500	0.1000
<b>2024</b>		
January	0.1200	0.1000
February	0.1200	0.1000

The last transacted price of Iconic Shares on the date preceding the announcement of the Proposals on 19 September 2022

0.1400

The last transacted market price on LPD

0.1150

The last transacted market price of Iconic Shares on the market day prior to ex-rights date on 21 March 2024

0.0900

*(Source: M&A Securities)*

**4. OPTION TO SUBSCRIBE FOR SHARES**

As at the date of this Abridged Prospectus, save for the Provisional Allotments as well as Excess Rights Shares with Warrants, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of our Company or our subsidiaries as of the date of this Abridged Prospectus.

**5. MATERIAL CONTRACTS**

Save as disclosed as below, neither Iconic nor its subsidiaries have entered into any contracts which are or may be material, not being contracts entered into in the ordinary course of business, during the past 2 years preceding the date of this Abridged Prospectus:

- (i) On 29 September 2022, Iconic Maison Sdn Bhd entered into a sale and purchase agreement with Modern Rewards and Iconic Development Sdn Bhd for the sale and purchase of all that plot known as Type C, Iconic Point measuring approximately 368

**INFORMATION ON OUR GROUP (cont'd)**

- square metres together with a 2-storey detached commercial unit with drive through erected thereon now bearing assessment address No. 6, Jalan Iconic Point, Iconic Point, 14100 Simpang Ampat, Pulau Pinang measuring approximately 498 square metres for a cash consideration of RM2,500,000.00;
- (ii) On 29 September 2022, Iconic Maison Sdn Bhd entered into a sale and purchase agreement with Modern Rewards and Iconic Development Sdn Bhd for the sale and purchase of all that plot known as Plot No. 2, Iconic Point measuring 234 square metres together with a 3-storey semi-detached shop office now bearing assessment address No. 3, Jalan Iconic Point, Iconic Point, 14100 Simpang Ampat, Pulau Pinang erected thereon for a cash consideration of RM2,300,000.00;
  - (iii) On 29 September 2022, Iconic Maison Sdn Bhd entered into a sale and purchase agreement with Modern Rewards and Iconic Development Sdn Bhd for the sale and purchase of all that plot known as Plot No. 29, Iconic Point measuring 251 square metres together with a 3-storey semi-detached shop office now bearing assessment address No. 103, Jalan Iconic Point, Iconic Point, 14100 Simpang Ampat, Pulau Pinang erected thereon for a cash consideration of RM2,300,000.00;
  - (iv) On 29 September 2022, Iconic Maison Sdn Bhd entered into a sale and purchase agreement with Modern Rewards and Iconic Development Sdn Bhd for the sale and purchase of all that plot known as Plot No. 30, Iconic Point measuring 234 square metres together with a 3-storey semi-detached shop office now bearing assessment address No. 101, Jalan Iconic Point, Iconic Point, 14100 Simpang Ampat, Pulau Pinang erected thereon for a cash consideration of RM2,300,000.00;
  - (v) On 6 November 2023, our Company entered into a tenancy agreement with Neutral Pro Auto Detailing for the tenancy of ground floor, 1st floor showroom and 1st floor office space (with a total floor area of approximately 10,976 square feet) of 972, Jalan Baru, 13700 Prai, for a term of two (2) years from 1 January 2024 to 1 January 2026 with an option to renew for a further two (2) years at a monthly rental of RM28,000.00;
  - (vi) On 8 November 2023, Sanbumi Capital Sdn Bhd entered into a sale and purchase agreement with Cheah Boon Hong for the sale and purchase of all that piece of freehold land and hereditamen known as Lot No. 20120, Tempat Sungai Dua, Mukim 13, Daerah Timor Laut, Pulau Pinang held under No. Hakmilik Geran Mukim 3770 measuring approximately 288 square metres together with a 3 storey semi-detached house bearing assessment address No. 38 Persiaran Minden, Minden Residence, 11700 Gelugor, Penang erected thereon for a purchase consideration of RM1,500,000.00;
  - (vii) On 19 September 2022, Iconic entered into the SPA with the Vendors for the Acquisition;
  - (viii) On 11 March 2024, Iconic had executed the Deed Poll constituting the Warrants; and
  - (ix) On 8 March 2024, Iconic entered into the Underwriting Agreement with the Underwriter for the Underwriting.

**6. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

Save as disclosed below, as at the LPD, the Iconic Group is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position of the Iconic Group and the Board has no knowledge of any proceedings, pending or threatened, against Iconic Group or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of Iconic Group:



**INFORMATION ON OUR GROUP (cont'd)****(i) Jawi Magistrate Court Civil Suit No. PE-A72NCvC-81-04/2023 between Iconic Medicare Sdn Bhd ("IMED" or "Defendant") and CeramTec Innovative Ceramic Engineering (M) Sdn Bhd ("CICE" or "Plaintiff")**Claim from CICE:

IMED had vide letter from CICE's solicitors, Messrs Fahrol, Pretam & Co 20 March 2023, been served with a writ of summons and a statement of claims both dated 13 March 2023 under Seremban Magistrate Court Civil Suit No. NA-A72NCvC-129-03/2023 by CICE claiming for the following:

- (a) the judgement sum of RM44,130.00;
- (b) a 4% interest per annum the judgement sum of RM44,130.00 from the date of judgement up to the date of full settlement of the judgement sum;
- (c) costs; and
- (d) such further and/or other relief that the Court deems fit and appropriate.

The Board, after deliberation, deemed the claim by CICE as frivolous and concluded that the claim was not material as the claim was not expected to have any material impact on the operations, earnings, NA or gearing of our Company for FYE 30 June 2024.

Transfer of civil suit

Subsequently, on 24 March 2023, this civil suit was transferred from Seremban Magistrates' Court to Butterworth Magistrates' Court and registered as Civil Suit No. PB-A72NCvC-90-03/2023. On 17 April 2023, the said civil suit was further transferred to Jawi Magistrates' Court and registered as Civil Suit No. PE-A72NCvC-81-04/2023.

Counterclaim by IMED

Subsequently, upon consultation with IMED's solicitors, Messrs S Param & G Thila, on the management's assessment on the estimated losses on income and profits due to the loss of business directly arising from the failure to deliver goods timely as promised by CICE and the additional costs incurred therefrom, IMED had vide a Statement of Defence and Counterclaim dated 16 May 2023 counterclaiming against CICE ("**Counter Claim**") for the following:

- (a) general damages under para 14 of the Statement of Defence and Counterclaim for RM609,000.00;
- (b) general damages under para 15 of the Statement of Defence and Counterclaim for USD3,760,000.00;
- (c) interest;
- (d) costs; and
- (e) any other order and/or relief.

Subsequently, Messrs S. Param & G. Thila applied for leave to file Rejoinder and Reply to Defence to Counterclaim and have obtained leave to file the subsequent pleading on 8 September 2023. They have filed the said pleadings on 13 September 2023.

**INFORMATION ON OUR GROUP (cont'd)**

Subsequently, they also filed an amendment to their Defence and Counterclaim. The case has been set for trial 10 and 11 June 2024.

Estimated potential liability to our Group arising from the Counter Claim

The Board is of the opinion that apart from the professional fees payable, there shall be no other potential liability imposed on our Group which may arise resulting from the Counter Claim.

Financial and operational impact

Though the actual quantum of the Counter Claim is subject to the outcome to be determined by the court, the Board is of the opinion that based on the general damages amount specified in the Counter Claim, this suit is expected to have a material impact on the future earnings and NA of our Group for FYE 30 June 2024.

The management of IMED is currently working closely with Messrs S. Param & G. Thila on this legal suit to effectively manage it so as to ensure a positive outcome for IMED. Messrs S. Param & G. Thila is of the view that IMED has a fair and arguable case with a reasonable good chance of dismissing the claim by CICE on the basis that CICE had breached the contract between the parties due to its inability to meet its commitments to IMED. In addition, Messrs S. Param & G. Thila is of the view that IMED will be successful with the Counter Claim against CICE as all evidence supports a breach of contract by CICE. In view of this, no provision in relation to the claim by CICE has been made in the financial statement.

**(ii) Shah Alam High Court Civil Suit No.: BA-22NCvC-321-08/2023 between Iconic Medicare Sdn Bhd ("IMED" or "Defendant") and Latex Form Sdn Bhd ("Latex Form" or 'Plaintiff')**

IMED, a wholly-owned subsidiary of our Company had on 17 August 2023 received a Writ of Summons and Statement of Claim dated 4 August 2023 filed by Messrs Tee Tai Tzian & Sim, the Solicitors acting on behalf of Latex Form.

The Plaintiff is claiming the following from the Defendant vide their Civil Suit No. BA22-22NCvC-321-08/2023:

- (a) an outstanding sum of RM11,038,004.00, allegedly being the value of the work carried out by the Plaintiff on six (6) Double Former Glove Dipping machines ("**Glove Machines**") at the Defendant's factory;
- (b) damages in the sum of RM1,600,000.00 being the amount lost by the Plaintiff as a result of the said sum being forfeited by their suppliers due to the Defendant terminating the Glove Machines installation contract;
- (c) the Liquidated and Ascertained Damages ("**LAD**") of RM2,400,000.00 which was paid by the Plaintiff to the Defendant by agreement, to be declared void ab initio and not valid (i.e. void from the beginning);
- (d) the said sum of RM2,400,000.00 being the LAD to be refunded to the Plaintiff;
- (e) interest at 1.5% per month on the sum of RM15,038,004.00 claimed by the Plaintiff from the date of filing of the Writ of Summons until the date of full settlement;
- (f) costs; and

**INFORMATION ON OUR GROUP (cont'd)**

- (g) such further and/or other relief that the Court deems fit and appropriate.

The first case management was held on 4 September 2023 via e-review (virtually). Pursuant to the case management, the Court had directed that IMED is to file the Statement of Defence on or before 5 October 2023, and Latex Form is to file the Reply to Defence on or before 19 October 2023. The second case management date was held on 20 October 2023. Messrs Presgrave & Matthews had on 5 October 2023 filed a Statement of Defence and a Counterclaim on behalf of IMED to dispute the Plaintiff's claim which briefly is as follows:

- (a) IMED's defence is that the Plaintiff had fundamentally breached the contract between parties in respect of the purchase and fabrication of the Glove Machines at IMED's factory in Batu Kawan at a total price of RM38,280,000.00 (i.e. RM6,380,000.00 each unit) on the basis that the Plaintiff had failed to complete and deliver the Glove Machines no. 3-6 whereas Glove Machines no. 1 and 2 (which were delivered late), have many issues/defects, which the Plaintiff had failed to rectify despite numerous requests ("**IMED's Defence**").
- (b) As such, IMED had mounted a counterclaim for declaratory reliefs as well as for damages for various losses and damage suffered totalling more than RM25 million ("**Counter Claim against Latex Form**").

Latex Form however did not file their Reply to Defence by 19 October 2023 (as earlier directed by the court) as they requested for an extension of time of 14 days to do so, which Messrs Presgrave & Matthews did not object to. Hence, the Court during the case management (by e-review) dated 20 October 2023, had directed that Latex Form to file its Reply to Defence by 2 November 2023. The third case management was fixed on 21 November 2023.

In respect of the application to transfer the civil suit from Shah Alam High Court to Penang High Court filed by Messrs Presgrave & Matthews on 20 September 2023 ("**Transfer Application**"), the Court had during the hearing/case management on 4 October 2023 given directions to the parties in respect of the filing of affidavits and submission. Parties have now exhausted all affidavits in that respect and are pending the filing of written submissions. The next case management date for the Transfer Application was fixed on the same day of 21 November 2023 for the Court to fix a hearing date of the Transfer Application. Pursuant to the case management held on 21 November 2023, the Court has now fixed the hearing date for the Transfer Application on 26 March 2024 at Shah Alam High Court.

Estimated potential liability to our Group arising from the Writ of Summons and Statement of Claim

The Board is of the opinion that apart from amount claimed of RM15,038,004.00 with interest of 1.5% per month (which is subject to proof in court) and the professional fees payable, there shall be no other potential liability imposed on our Group which may arise resulting from the Writ of Summons and Statement of Claim.

Financial and operational impact

Though the actual quantum of the litigation is subject to the outcome to be determined by the court, the Board opines that the quantum of the claim as well as the Counter Claim against Latex Form will be substantial and may have a material impact on the financial results and NA of our Group.

**INFORMATION ON OUR GROUP (cont'd)**

The management of IMED is currently working with Messrs Presgrave & Matthews to manage this legal suit in an effective manner. Messrs Presgrave & Matthews is of the opinion that IMED has a fair and arguable case with a reasonable chance of dismissing Latex Form's claim on the basis that Latex Form had fundamentally breached the contract between parties when it failed to complete and deliver four (4) of the Glove Machines whereas the other two (2) of the Glove Machines (which were delivered late), have many issues/defects, which Latex Form had failed to rectify despite numerous requests. In addition, IMED also has a fair and arguable case with a reasonable chance of success in obtaining judgment for the Counter Claim against Latex Form for declaratory reliefs as well as for damages for the various losses and damage suffered totaling more than RM25 million. In view of this, no provision in relation to the Latex Form's claim has been made in the financial statement.

**7. KEY FINANCIAL INFORMATION****7.1 Historical financial performance**

	Audited			Unaudited	
	FYE 31 March 2021	FYE 31 March 2022	FYE 31 March 2023	FPE 31 December 2022	FPE 31 December 2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	49,167	107,139	86,838	71,524	33,184
Cost of sales	(34,967)	(79,422)	(93,367)	(57,324)	(32,166)
<b>Gross (Loss)/ Profit</b>	<b>14,200</b>	<b>27,717</b>	<b>(6,529)</b>	<b>14,200</b>	<b>1,018</b>
Other income	1,272	540	3,842	6,200	487
Impairment on trade and other receivables, net	(8)	(201)	(64)	-	-
Selling and distribution expenses	(738)	(4,732)	(8,945)	(6,168)	(5,649)
Administrative expenses	(5,844)	(9,054)	(9,317)	(6,927)	(6,297)
Other operating expenses	(29)	-	-	-	-
Finance costs	(333)	(1,971)	(4,923)	(3,310)	(3,806)
Share of results of an associate	-	-	(1)	-	-
<b>(Loss)/ Profit before tax</b>	<b>8,520</b>	<b>12,299</b>	<b>(25,937)</b>	<b>3,995</b>	<b>(14,247)</b>
Tax expense	317	(2,706)	1,284	-	-
<b>PAT/(LAT)</b>	<b>8,837</b>	<b>9,593</b>	<b>(24,653)</b>	<b>3,995</b>	<b>(14,247)</b>
<b>PAT/(LAT) attributable to owners of our Company</b>	<b>8,839</b>	<b>9,595</b>	<b>(24,651)</b>	<b>3,997</b>	<b>(14,247)</b>
GP margin (%)	28.88	25.87	(7.52)	19.85	3.07
PAT margin (%)	17.98	8.96	(28.39)	5.59	(42.93)
No. of Shares ('000)	420,828	562,353	562,353	562,353	562,353
EPS (sen)	2.10	1.71	(4.38)	0.71	(2.53)
Dividends (RM' 000)	-	-	-	-	-

**INFORMATION ON OUR GROUP (cont'd)****7.2 Historical financial position**

	<b>As at 31 March 2021 RM'000</b>	<b>Audited As at 31 March 2022 RM'000</b>	<b>As at 31 March 2023 RM'000</b>	<b>Unaudited As at 31 December 2023 RM'000</b>
Non-current assets	116,122	221,450	241,630	234,234
Current assets	73,642	125,522	60,570	68,245
<b>Total assets</b>	<b>189,764</b>	<b>347,062</b>	<b>302,200</b>	<b>302,497</b>
Ordinary share capital	108,804	148,393	148,393	148,393
RCPS	14,958	-	-	-
Reserves	42,978	52,573	27,922	13,675
<b>Equity attributable to owners of our Company</b>	<b>166,740</b>	<b>200,966</b>	<b>176,315</b>	<b>162,068</b>
Non-controlling interest	(119)	(121)	(123)	(123)
<b>Total equity</b>	<b>166,621</b>	<b>200,845</b>	<b>176,192</b>	<b>161,945</b>
Non-current liabilities	8,722	86,416	89,488	80,309
Current liabilities	14,421	59,801	36,520	60,225
<b>Total liabilities</b>	<b>23,143</b>	<b>146,217</b>	<b>126,008</b>	<b>140,534</b>
<b>Total equity and liabilities</b>	<b>189,764</b>	<b>347,062</b>	<b>302,200</b>	<b>302,497</b>
No. of Shares ('000)	420,828	562,353	562,353	562,353
NA per Share (sen)	0.40	0.36	0.31	0.29

**7.3 Historical cash flows**

	<b>FYE 31 March 2021 RM'000</b>	<b>Audited FYE 31 March 2022 RM'000</b>	<b>FYE 31 March 2023 RM'000</b>	<b>Unaudited FPE 31 December 2023 RM'000</b>
<b>Net cash from/(used in)</b>				
Operating activities	17,932	(7,699)	10,043	3,614
Investing activities	(43,441)	(32,584)	(14,120)	(5,283)
Financing activities	43,010	35,403	(3,088)	(4,606)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>17,501</b>	<b>(4,880)</b>	<b>(7,165)</b>	<b>(6,275)</b>
Cash and cash equivalents at beginning of the year	7,958	25,459	20,585	13,474
Effects of exchange rate changes	-	6	28	-
<b>Cash and cash equivalents at end of the year</b>	<b>25,459</b>	<b>20,585</b>	<b>13,448</b>	<b>7,199</b>

**Financial commentaries for the FYE 31 March 2021 compared to FYE 31 March 2022**

Our Group's revenue increased by RM57.97 million or 117.90% to RM107.14 million in the FYE 31 March 2022 from RM49.17 million in the FYE 31 March 2021 mainly attributable to the increase in the contribution of revenue from the personal protective equipment ("PPE")

**INFORMATION ON OUR GROUP (cont'd)**

manufacturing segment. Revenue of the PPE manufacturing segment increased by RM60.64 million or 818.35% to RM68.05 million in the FYE 31 March 2022 from RM7.41 million in the FYE 31 March 2021. The significant increase is mainly attributable to the recognition of sales contributions for a full twelve months period as opposed to only three months period contributions in the previous year from the glove manufacturing operations.

Our Group's PAT increased by RM0.75 million or 8.48% to RM9.59 million in the FYE 31 March 2022 from RM8.84 million in the FYE 31 March 2021 mainly attributable to the increase in gross profit by RM13.52 million or 95.21% to RM27.72 million in the FYE 31 March 2022 from RM14.20 million in the FYE 31 March 2021.

Our Group recorded a net decrease in cash and cash equivalents of RM4.88 million for the FYE 31 March 2022 mainly due to utilisation to finance the acquisition of property, plant and machinery.

**Financial commentaries for the FYE 31 March 2022 compared to FYE 31 March 2023**

Our Group's revenue decreased by RM20.30 million or 18.95% to RM86.84 million in the FYE 31 March 2023 from RM107.14 million in the FYE 31 March 2022 mainly attributable to the decrease in the contribution of revenue from the PPE manufacturing segment. Revenue of the PPE manufacturing segment decreased by RM20.23 million or 29.73% to RM47.82 million in the FYE 31 March 2023 from RM68.05 million in the FYE 31 March 2022. The drop is mainly attributable to the decline in the glove sales volume due to the highly competitive selling price and market demand.

Our Group recorded a LAT of RM24.65 million in the FYE 31 March 2023 as compared to a PAT of RM9.59 million in the FYE 31 March 2022. This was mainly attributable to a one-off adjustment in the carrying value of PPE inventories to reflect the differences between the cost of production and the realisable value of these inventories given current market conditions.

Our Group recorded a net decrease in cash and cash equivalents of RM7.17 million for the FYE 31 March 2023 mainly due to the utilisation to finance acquisition of property, plant and machinery, working capital requirements and repayment of financial commitments. The negative cashflow from operating activities for FYE 31 March 2022 is mainly due to the utilisation of the internally generated fund to finance the ongoing development project and part finance the acquisition of PPE for the manufacturing facility.

**Financial commentaries for the FPE 31 December 2022 compared to FPE 31 December 2023**

Our Group's revenue decreased by RM38.34 million or 53.60% to RM33.18 million in the FPE 31 December 2023 from RM71.52 million in the FPE 31 December 2022 mainly attributable to the following:

- (i) a decrease in the contribution of revenue from the PPE manufacturing segment, which decreased by RM9.91 million or 25.00% to RM29.71 million in FPE 31 December 2023 from RM39.62 million in FPE 31 December 2022, mainly attributable to continuous decline in the glove sales volume due to the highly competitive selling price and market demand; and
- (ii) a decrease in the contribution of revenue from the property development segment, which decreased by RM28.69 million or 98.26% to RM0.51 million in FPE 31 December 2023 from RM29.20 million in FPE 31 December 2022, mainly due to no revenue contributions recorded from property development segment following the completion of the Iconic Point project on 15 August 2022, coupled with the delay in the

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**INFORMATION ON OUR GROUP (cont'd)**

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commencement of the new development project namely the Alma Bukit Mertajam project. The revenue for FPE 31 December 2023 is mainly derived from the new carpark operations.

Our Group recorded a LAT of RM14.25 million in the FPE 31 December 2023 as compared to a PAT of RM4.00 million in the FPE 31 December 2022. This was mainly attributable to the spillover effects of the lower revenue and operating results coupled with the impact of high interest expenses incurred on banking facilities utilised.

Our Group recorded a net decrease in cash and cash equivalents of RM6.27 million for the FPE 31 December 2023 mainly due to the utilisation to repay financial commitments and to finance the working capital requirements.

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**INFORMATION ON OUR GROUP (cont'd)**

**8. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

The pro forma effects of the Rights Issue with Free Warrants on the substantial shareholders' shareholdings of Iconic are disclosed in Section 8.2 of this Abridged Prospectus.

**9. DIRECTORS' SHAREHOLDINGS**

The pro forma effects of the Rights Issue with Free Warrants on our Directors' shareholdings of Iconic are as follows:

**(a) Minimum Scenario**

	As at the LPD		(1)					
			After the Rights Issue with Free Warrants					
	Direct No. of Shares	(1)%	Direct No. of Shares	(2)%	Indirect No. of Shares	(2)%		
Dato' Seri Tan Kean Tet	52,639,154	9.36	(4)94,133,240	16.74	388,345,413	30.62	(4)229,015,216	18.06
Tan Cho Chia	1,300,000	0.23	(5)36,808,400	6.55	1,300,000	0.10	(5)36,808,400	2.90
Tan Seok Ying	-	-	-	-	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-	-	-	-	-
Chia Yuet Yoong	-	-	-	-	-	-	-	-
Leow Chan Khiang	-	-	-	-	-	-	-	-
Lee Eng Eow	-	-	-	-	-	-	-	-

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**INFORMATION ON OUR GROUP (cont'd)**

	(II)			
	After (I) and assuming full exercise of Warrants			
	Direct	Indirect		
No. of Shares	(3)%	No. of Shares	(3)%	
Dato' Seri Tan Kean Tet	612,149,586	35.20	(4)318,936,533	18.34
Tan Cho Chia	1,300,000	0.07	(5)36,808,400	2.12
Tan Seok Ying	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-
Chia Yuet Yoong	-	-	-	-
Leow Chan Khiang	-	-	-	-
Lee Eng Eow	-	-	-	-

**Notes:**

- (1) Based on the existing issued share capital of 562,353,272 Shares.
- (2) Based on the issued share capital of 1,268,235,625 Shares after the Rights Issue with Free Warrants.
- (3) Based on the issued share capital of 1,738,823,860 Shares assuming full exercise of the Warrants.
- (4) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd, Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) and Modern Rewards pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Act.

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**INFORMATION ON OUR GROUP (cont'd)**

**(b) Maximum Scenario**

	As at the LPD				(I) After the Rights Issue with Free Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Seri Tan Kean Tet	52,639,154	9.36	(4)94,133,240	16.74	157,917,462	9.36	(4)282,399,720	16.74
Tan Cho Chia	1,300,000	0.23	(5)36,808,400	6.55	3,900,000	0.23	(5)110,425,200	6.55
Tan Seok Ying	-	-	-	-	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-	-	-	-	-
Chia Yuet Yoong	-	-	-	-	-	-	-	-
Leow Chan Khiang	-	-	-	-	-	-	-	-
Lee Eng Eow	-	-	-	-	-	-	-	-

**(II)  
After (I) and assuming full exercise of Warrants**

	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Dato' Seri Tan Kean Tet	228,103,000	9.36	(4)407,910,707	16.74
Tan Cho Chia	5,633,333	0.23	(5)159,503,066	6.55
Tan Seok Ying	-	-	-	-
Jason Chung Wei Chiun	-	-	-	-
Chia Yuet Yoong	-	-	-	-
Leow Chan Khiang	-	-	-	-
Lee Eng Eow	-	-	-	-

**Notes:**

- (1) Based on the existing issued share capital of 562,353,272 Shares.  
(2) Based on the issued share capital of 1,687,059,816 Shares after the Rights Issue with Free Warrants.

**INFORMATION ON OUR GROUP (cont'd)**

- (3) Based on the issued share capital of 2,436,864,178 Shares assuming full exercise of the Warrants.
- (4) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd, Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) and Modern Rewards pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his shareholdings in Legacy 888 Sdn Bhd and Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for Bank of Singapore Limited (Local) pursuant to Section 8 of the Act.

**10. WRITTEN CONSENTS**

The written consents of our Principal Adviser, Company Secretaries, Share Registrar, Reporting Accountants, IMR, Valuer, Independent Expert and Solicitors for the Rights Issue with Free Warrants for the inclusion in this Abridged Prospectus of their names in the form and context in which they appear have been given before issuance of this Abridged Prospectus and have not subsequently been withdrawn.

**11. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of our Company at No. 1-2, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang during normal business hours from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:

- (a) Constitution;
- (b) IMR Report;
- (c) Letters of consent as referred to in Section 10 of this Appendix;
- (d) Letters of Undertakings as referred to in Section 2.5 of this Abridged Prospectus;
- (e) Pro forma consolidated statement of financial position of Iconic Group as at 31 December 2023 together with the Reporting Accountants' report thereon, as set out in **Appendix III** of this Abridged Prospectus;
- (f) Material contracts as referred to in Section 5 of this Appendix;

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**INFORMATION ON OUR GROUP (cont'd)**

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- (g) Valuation Certificate and valuation reports on the Subject Land; and
- (h) Letter of opinion by BYG.

**12. RESPONSIBILITY STATEMENT**

This Abridged Prospectus together with its accompanying documents have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, which the omission of which would make any statement herein false or misleading.

M&A Securities, being our Principal Adviser for the Rights Issue with Free Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning this Rights Issue with Free Warrants.

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**INFORMATION ON GOLDENLUCK**


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**1. HISTORY AND BUSINESS**

Goldenluck is a private limited company incorporated in Malaysia on 19 May 2011 and commenced operations on 25 May 2011. Goldenluck is principally involved in property investment. It currently owns the Subject Land as its sole major asset and does not own other asset. However, Goldenluck is currently dormant as it does not have any business activity during the FYE 30 June 2020 to FYE 30 June 2023.

**2. SHARE CAPITAL**

As at the LPD, the total issued share capital of Goldenluck is RM200,000 comprising 200,000 ordinary shares. As at the LPD, there is only one class of shares in Goldenluck.

**3. DIRECTORS AND SHAREHOLDERS**

As at the LPD:

- (i) The Directors of Goldenluck are Dato' Seri Tan Kean Tet and Tan Seok Ying; and
- (ii) The shareholders of Goldenluck are as follows:

Shareholders/Nationality	Direct		Indirect	
	No. of shares	%	No. of shares	%
Dato' Seri Tan Kean Tet/ Malaysian	190,000	95.00	-	-
Tan Seok Ying/ Malaysian	10,000	5.00	-	-

**4. SUBSIDIARIES AND ASSOCIATED COMPANIES**

As at the LPD, Goldenluck does not have any subsidiary and associated companies.

**INFORMATION ON GOLDENLUCK (cont'd)****5. HISTORICAL FINANCIAL INFORMATION**

The historical financial information of Goldenluck is set out below:

	<b>Audited</b>		
	<b>FYE 30 June 2021 RM</b>	<b>FYE 30 June 2022 RM</b>	<b>FYE 30 June 2023 RM</b>
Revenue	-	-	-
PBT/(LBT)	(5,785)	41,455,179	(7,601)
PAT/(LAT)	(5,877)	41,455,179	(7,601)
Share capital	200,000	200,000	200,000
Shareholders' funds/ NA	2,793,604	44,248,783	44,241,182
Borrowings	-	-	-
Current assets	23,885	27,749	20,201
Current liabilities	1,467,883	1,478,966	1,479,019
No. of ordinary shares	200,000	200,000	200,000
(LPS)/EPS <sup>(1)</sup>	(0.03)	207.28	(0.04)
NA per share	13.97	221.24	221.21
Current ratio (times) <sup>(2)</sup>	0.02	0.02	0.01
Gearing ratio (times)	-	-	-

**Notes:**

- (1) Calculated based on PAT/LAT over number of ordinary shares as at each financial year.
- (2) Calculated based on current assets over current liabilities as at each financial year.

The audited financial statements of Goldenluck for the financial period from FYE 30 June 2019 to 30 June 2021 have been prepared in accordance with applicable approved Malaysian accounting standards and there was no audit qualification for the respective years under review. However, the auditor has updated that the current liabilities has exceeded the current assets as at 30 June 2022 and 30 June 2023 and indicates that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern.

**Commentaries****FYE 30 June 2023**

Goldenluck recorded nil revenue as the company does not have any business activity during the FYE 30 June 2023. The loss before tax for the year is mainly due to the administrative expenses (i.e. audit fee, secretarial fee and quit rent) incurred during the year. The current assets decreased was mainly due to the decrease in cash at bank for the administrative expenses.

**INFORMATION ON GOLDENLUCK (cont'd)****FYE 30 June 2022**

Goldenluck recorded nil revenue as the company does not have any business activity during the FYE 30 June 2022. The higher PAT recorded for the year is mainly due to the fair value adjustment on the Subject Land of RM41,462,398 during the year, as follow:

	<b>RM</b>
Fair value as valued based on the valuation performed by the Valuer	45,700,000
Less: Value of the Subject Land as at 30 June 2021	(4,237,602)
<b>Fair value adjustment</b>	<b>41,462,398</b>

In line with the increase in PAT, the EPS also increased to RM207.28 in FYE 30 June 2022 as compared to the LPS of RM0.03 in FYE 30 June 2021. The current assets increased was mainly due to the increase in cash at bank. Further, the current liabilities increased was mainly due to the increase in amount due to director for the payment of administrative expenses (i.e. audit fee, secretarial fee and quit rent).

**FYE 30 June 2021**

Goldenluck recorded nil revenue as the company does not have any business activity during the FYE 30 June 2021. The loss before tax for the year is mainly due to the administrative expenses (i.e. audit fee, secretarial fee and quit rent) incurred during the year. The current assets decreased was mainly due to the decrease in cash at bank for the repayment to director. Further, the current liabilities decreased was mainly due to the decrease in amount due to director. In line with the decrease in current assets and current liabilities, the current ratio decreased from 0.24 times to 0.02 times.

**6. MATERIAL LITIGATION**

As at the LPD, Goldenluck is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the board of directors of Goldenluck confirms there is no proceedings pending or threatened against Goldenluck or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of Goldenluck.

**7. MATERIAL COMMITMENTS**

As at the LPD, the board of directors of Goldenluck confirms there is no material commitments incurred or known to be incurred by the Goldenluck that is likely to have a material effect on the Goldenluck's financial position.

**8. CONTINGENT LIABILITIES**

As at the LPD, the board of directors of Goldenluck confirms there is no contingent liabilities, incurred or known to be incurred, which upon becoming enforceable, may have a substantial impact in the ability of the Goldenluck to meet its obligations as and when they fall due.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON**



**ECOVIS MALAYSIA PLT**

201404001750 (LLP0003185-LCA) & AF 001825  
Chartered Accountants. Kuala Lumpur, Malaysia

Board of Directors

**ICONIC WORLDWIDE BERHAD ("ICONIC")**

No.1-2, Jalan Icon City

Icon City

14000 Bukit Mertajam, Penang

**Kuala Lumpur office**

Eunice Chai, Assurance

**Phone:** +603 7981 1799

**Fax-No:** +603 7980 4796

**E-Mail:** eunice.chai@ecovis.com.my

**Ref:** A/CKC/CHS

Kuala Lumpur, **08 MAR 2024**

Dear Sirs

**ICONIC WORLDWIDE BERHAD ("ICONIC" OR "THE COMPANY") AND ITS SUBSIDIARIES ("ICONIC GROUP")**

**REPORTING ACCOUNTANT'S REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 FOR INCLUSION IN THE ABRIDGED PROSPECTUS TO SHAREHOLDERS**

We have completed our assurance engagement to report on the compilation of Pro Forma Consolidated Statements of Financial Position of Iconic Group prepared by the Board of Directors of the Company ("Directors"). The Pro Forma Consolidated Statements of Financial Position as at 31 December 2023 together with the accompanying notes thereon are set out in **Appendix I**, which has been stamped by us for identification purposes only, have been compiled by the Directors for inclusion in the Abridged Prospectus to Shareholders of Iconic in relation to the Company's Multiple Proposals (as described in Note 3).

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Consolidated Statements of Financial Position are specified paragraphs 5.13 to 5.16 of Chapter 5, Pro Forma Financial Information under Part II Contents of Prospectus, Division 5 Abridged Prospectus of the Prospectus Guidelines ("Prospectus Guidelines") issued by the Securities Commission Malaysia.

The Pro Forma Statements of Financial Position have been compiled by the Directors to illustrate the impact of the Multiple Proposals, as set out in the notes to the Pro Forma Consolidated Statements of Financial Position in **Appendix I**, on the Iconic Group's Financial Position as at 31 December 2023 as if the Proposals had taken place at 31 December 2023. As a part of this process, information about Iconic Group's Financial Position has been extracted by the Directors from Iconic's financial statements for the period ended 31 December 2023, on which a review report has been issued.

ECOVIS MALAYSIA PLT 201404001750 (LLP0003185-LCA) & AF 001825 Chartered Accountants, No 9-3, Jalan 109F, Plaza Danau 2, Taman Danau Desa, 58100 Kuala Lumpur, Malaysia Phone: +60(3) 7981 1799 Fax: +60(3) 7980 4796 E-Mail: kuata-lumpur@ecovis.com.my

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**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

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**Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position**

The Directors are solely responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position in **Appendix I**, in accordance with the requirements of the Prospectus Guidelines.

**Reporting Accountant's Professional Ethics and Quality Management**

We have complied with the independence and other ethical requirement of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position as set out in **Appendix I**.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis described in the Notes to the Pro Forma Consolidated Statements of Financial Position in **Appendix I**.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

The purpose of the Pro Forma Consolidated Statements of Financial Position included in the Abridged Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of Iconic Group as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)****Reporting Accountant's Responsibilities (cont'd)**

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Statements of Financial Statements reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of Iconic Group, the event or transaction in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis stated in the notes to the Pro Forma Consolidated Statements of Financial Position in *Appendix I*.

**Restriction on Distribution and Use**

Our report is issued for the sole purpose of inclusion in the Abridged Prospectus to shareholders of Iconic in connection with the Multiple Proposals and should not be used for any other purpose. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

A handwritten signature in black ink, appearing to read "Ecovis", written over a light blue background.

ECOVIS MALAYSIA PLT  
AF 001825  
Chartered Accountants

A large, stylized handwritten signature in black ink, written over a light blue background.

CHUA KAH CHUN  
02696/09/2025 J  
Chartered Accountant

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

Scenario I: Minimum scenario

	Unaudited Financial Statements as at 31 December 2023	Pro Forma I Upon Completion of Rights Issue with Warrants RM'000	Pro Forma II Upon Completion of Acquisition and Utilisation of Proceeds RM'000	Pro Forma III Upon Full Exercise of Warrants RM'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	190,165	190,165	190,165	190,165
Right-of-use assets	23,015	23,015	23,015	23,015
Investment properties	21,054	21,054	66,754	66,754
Goodwill	-	-	129	129
	<u>234,234</u>	<u>234,234</u>	<u>280,063</u>	<u>280,063</u>
<b>Current assets</b>				
Inventories	43,086	43,086	43,086	43,086
Trade and other receivables	16,761	16,761	16,761	16,761
Current tax assets	1,199	1,199	1,199	1,199
Cash and bank balances	7,199	67,199	13,533	46,475
	<u>68,245</u>	<u>128,245</u>	<u>74,579</u>	<u>107,521</u>
<b>Total assets</b>	<u>302,479</u>	<u>362,479</u>	<u>354,642</u>	<u>387,584</u>



**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

Scenario i: Minimum scenario (cont'd)

	Note	Unaudited Financial Statements as at 31 December 2023 RM'000	Pro Forma I Upon Completion of Rights Issue with Warrants RM'000	Pro Forma II Upon Completion of Acquisition and Utilisation of Proceeds RM'000	Pro Forma III Upon Full Exercise of Warrants RM'000
<b>Equity and liabilities (cont'd)</b>					
<b>Liabilities (cont'd)</b>					
<b>Current liabilities</b>					
Trade and other payables	5.1(i)	35,965	35,965	37,444	37,444
Borrowings	5.1(h)	24,221	24,221	24,221	24,221
Lease liabilities		38	38	38	38
Current tax liabilities		1	1	1	1
<b>Total liabilities</b>		<u>60,225</u>	<u>60,225</u>	<u>61,704</u>	<u>61,704</u>
		<u>140,534</u>	<u>140,534</u>	<u>134,197</u>	<u>134,197</u>
<b>Total equity and liabilities</b>		<u>302,479</u>	<u>362,479</u>	<u>354,642</u>	<u>387,564</u>
Net assets (RM'000)		161,945	221,945	220,445	253,387
Number of ordinary shares assumed in issue ('000)		562,353	1,268,235	1,268,235	1,738,823
Net assets attributable to equity holders per ordinary share (RM)		0.29	0.18	0.17	0.15

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

Scenario II: Maximum scenario

	Note	Unaudited Financial Statements as at 31 December 2023 RM'000	Pro Forma I Upon Completion of Rights Issue with Warrants RM'000	Pro Forma II Upon Completion of Acquisition and Utilisation of Proceeds RM'000	Pro Forma III Upon Full Exercise of Warrants RM'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment		190,165	190,165	190,165	190,165
Right-of-use assets		23,015	23,015	23,015	23,015
Investment properties	7.1(a)	21,054	21,054	66,754	66,754
Goodwill	7.1(b)	-	-	129	129
		<u>234,234</u>	<u>234,234</u>	<u>280,063</u>	<u>280,063</u>
<b>Current assets</b>					
Inventories		43,086	43,086	43,086	43,086
Trade and other receivables		16,761	16,761	16,761	16,761
Current tax assets	7.1(c)	1,199	1,199	1,199	1,199
Cash and bank balances	7.1(d)	7,199	102,799	23,839	76,325
		<u>68,245</u>	<u>163,845</u>	<u>84,885</u>	<u>137,371</u>
<b>Total assets</b>		<u>302,479</u>	<u>398,079</u>	<u>364,948</u>	<u>417,434</u>

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

Scenario II: Maximum scenario (cont'd)

	Unaudited Financial Statements as at 31 December 2023 RM'000	Pro Forma I Upon Completion of Rights Issue with Warrants RM'000	Pro Forma II Upon Completion of Acquisition and Utilisation of Proceeds RM'000	Pro Forma III Upon Full Exercise of Warrants RM'000
<b>Equity and liabilities</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	148,393	206,503	206,503	296,479
Warrant reserve	-	37,490	37,490	-
Capital reserve	1,582	1,582	1,582	1,582
Revaluation reserve	24,184	24,184	24,184	24,184
Accumulated losses	(12,091)	(12,091)	(13,591)	(13,591)
	162,068	257,668	256,168	308,654
Non-controlling interest	(123)	(123)	(123)	(123)
<b>Total equity</b>	161,945	257,545	256,045	308,531
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	75,562	75,562	37,882	37,882
Lease liabilities	691	691	691	691
Deferred tax liabilities	4,056	4,056	8,626	8,626
	80,309	80,309	47,199	47,199

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD

REGISTRATION NO. 196901000067 (8386-P)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

Scenario II: Maximum scenario (cont'd)

	Note	Unaudited Financial Statements as at 31 December 2023 RM'000	Pro Forma I Upon Completion of Rights Issue with Warrants RM'000	Pro Forma II Upon Completion of Acquisition and Utilisation of Proceeds RM'000	Pro Forma III Upon Full Exercise of Warrants RM'000
<b>Equity and liabilities (cont'd)</b>					
<b>Liabilities (cont'd)</b>					
<b>Current liabilities</b>					
Trade and other payables	7.1(j)	35,965	35,965	37,444	37,444
Borrowings	7.1(h)	24,221	24,221	24,221	24,221
Lease liabilities		38	38	38	38
Current tax liabilities		1	1	1	1
<b>Total liabilities</b>		<u>60,225</u>	<u>60,225</u>	<u>61,704</u>	<u>61,704</u>
		<u>140,534</u>	<u>140,534</u>	<u>108,903</u>	<u>108,903</u>
<b>Total equity and liabilities</b>		<u>302,479</u>	<u>398,079</u>	<u>364,948</u>	<u>417,434</u>
Net assets (RM'000)		161,945	257,545	256,045	308,531
Number of ordinary shares assumed in issue ('000)		562,353	1,687,060	1,687,060	2,436,864
Net assets attributable to equity holders per ordinary share (RM)		0.29	0.15	0.15	0.13



**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

**1. Basis Of Preparation**

The Pro Forma Consolidated Statements of Financial Position ("SOFP") of Iconic Worldwide Berhad ("Iconic" or "the Company") and its subsidiaries ("Iconic Group") as at 31 December 2023, for which the Board of Directors ("Board") of Iconic are solely responsible, have been prepared for illustrative purposes only, to show the effects of the following Multiple Proposals on the unaudited consolidated SOFP of Iconic as at 31 December 2023, had undertaken the following Multiple Proposals (collectively "Multiple Proposals").

- (i) Acquisition of the entire equity interest in Goldenluck Development Sdn. Bhd. ("Goldenluck") from Dato' Seri Tan Kean Tet and Tan Seok Ying for a purchase consideration of approximately RM39.80 million ("Purchase Consideration") ("Acquisition");
- (ii) Renounceable rights issue of up to 1,124,706,544 new ordinary shares in Iconic ("Right Shares") on the basis of 2 rights shares for every 1 existing share held, together with up to 749,804,362 free detachable warrants in Iconic ("Warrants") on the basis of 2 Warrants for every 3 Rights Shares subscribed by the entitled shareholders of the Company on the entitlement date to be determined ("Rights Issue with Warrants"); and
- (iii) Exemption under Paragraph 4.08(1)(b) and 4.08(1)(c) of the rules on take-overs, mergers and compulsory acquisitions issued by the Securities Commission Malaysia to Dato' Seri Tan Kean Tet and any persons acting in concert ("PACS") with him from obligation to undertake a mandatory take-over offer on the remaining ordinary shares in Iconic not already owned by them, pursuant to the undertaking to subscribe for the Rights Shares (including excess Rights Shares) ("Undertaking") and exercise of Warrants by Dato' Seri Tan Kean Tet and his PAC ("Exemption").

The Pro Forma Consolidated SOFP of Iconic Group for which Board of Directors of Iconic is solely responsible, have been prepared based on unaudited SOFP of the Group as at 31 December 2023, which in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs) and in a manner consistent with both the format of the financial statements and the accounting policies of the Group as disclosed in its unaudited interim financial statements for the period ended 31 December 2023.

The Pro Forma Consolidated SOFP of the Group have been prepared based on the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia.

The financial statements of Goldenluck has been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") for the financial year ended 30 June 2023. The audited financial statements of Goldenluck for the financial year ended 30 June 2023 were not subject to any audit qualification, modification or disclaimer. The management has applied the same accounting policy as the Group for the financial statements of Goldenluck for the financial year ended 30 June 2023 in compliance with MFRSs and IFRSs for the purpose of inclusion in the Abridged Prospectus to shareholders of Iconic in relation to the Company's Multiple Proposals and should not be relied upon for any other purposes.

The Pro Forma Consolidated SOFP is presented in Ringgit Malaysia ("RM").

The Pro Forma Consolidated SOFP of the Group comprise Pro Forma Consolidated SOFP and adjusted for the impact of the events or transactions as set out in Note 4 under Minimum Scenario and Note 6 under Maximum Scenario to the Pro Forma Consolidated SOFP.

Due to its nature, the Pro Forma Consolidated SOFP is not necessarily indicate of the financial position of the Group would have attained had the effects of the transactions as set in Note 2 actually occurred at the respective dates. Further, such information does not predict the Group's future financial position.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD

REGISTRATION NO. 196901000067 (8386-P)

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

## 2. Pro Forma adjustments

The Pro Forma Consolidated SOFP have been prepared to show the effects of the following:

- (i) Pro forma I – Upon Completion of Rights Issue with Warrants;
- (ii) Pro forma II - Upon Completion of Acquisition and Utilisation of Proceeds; and
- (iii) Pro forma III - Upon Full Exercise of Warrants

## 3. Multiple Proposals

### 3.1 Acquisition

On 19 September 2022, the Company has entered into a conditional share purchase agreement ("SPA") with Dato' Seri Tan Kean Tet and Tan Seok Ying (collectively, the "Vendors") to acquired a total of 200,000 shares in Goldenluck Development Sdn Bhd. ("Goldenluck"), representing 100% equity interest in Goldenluck for a purchase consideration of approximately RM39.80 million to be satisfied entirely in cash, subject to terms and conditions of the SPA. ("Purchase Consideration") ("Acquisition").

Subsequently on 15 December 2022, the Company had entered into a supplemental letter with the Vendors to amend the following terms in respect of the SPA:

- (i) the payment of the Purchase Consideration will be settled fully in cash and shall not be effected by way of Proposed Set-Off pursuant to Clause 3.3(b) of the SPA under any circumstances; and
- (ii) the definition of "Proposed Set-Off", and (ii) item (iv) (being the Proposed Set-Off) of the definition of "Proposals", both under Clause 1.1 of the SPA shall be removed in totality and reading the SPA shall be interpreted accordingly (i.e. in accordance to the aforementioned removals).

The identifiable assets and liabilities of Iconic from an accounting perspective were measured and accounted in Iconic Group Pro Forma Consolidated Statements of Financial Position based on carrying amounts of Goldenluck as at 30 June 2023. It should be noted that the goodwill on acquisition is solely for the purpose of preparation of these Pro Forma Consolidated Statements of Financial Position and for illustrative purpose only. The final goodwill or gain from bargain purchase will depend on the purchase price allocation to be conducted in accordance with MFRS 3, "Business Combinations", whereby the fair value of the assets and liabilities of Goldenluck acquired will ultimately be determined. Accordingly, the final determination of the purchase price, fair values and resulting goodwill or gain from a bargain purchase on Acquisition may differ significantly from what is reflected in these Pro Forma Consolidated SOFP.

The following illustrates the assumed assets and liabilities acquired arising from Acquisition:

	RM
Investment property	45,700,000
Current tax assets	176
Cash and bank balances	20,025
Deferred tax liabilities	(4,570,000)
Other payables	(1,479,019)
Total identifiable assets	39,671,182
Goodwill on consolidation	128,818
Purchase consideration settled by way of cash	39,800,000

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

3. Multiple Proposals (cont'd)

3.2 Rights Issue with Warrants under Minimum Scenario and Maximum Scenario

(i) Minimum Scenario

Assuming the Rights Issue with Warrants is undertaken on a Minimum Subscription Level basis.

No. of Rights Shares issued (units):	705,882,353
Proceeds from Rights Shares issued (RM) (@ issue price of RM0.085 each):	60,000,000
No. of Warrants issued (units):	470,588,235
Warrant Reserve (RM):	23,529,412
Proceeds from exercising Warrants (RM) (@ exercise price of RM0.07 each):	32,941,176

(ii) Maximum Scenario

Assuming that all the Entitled Shareholders and/or their renounee(s) fully subscribe Rights Issue with Warrants.

No. of Rights Shares issued (units):	1,124,706,544
Proceeds from Rights Shares issued (RM) (@ issue price of RM0.085 each)	95,600,056
No. of Warrants issued (units):	749,804,362
Warrant Reserve (RM)	37,490,218
Proceeds from exercising Warrants (RM) (@ exercise price of RM0.07 each):	52,486,305

The full exercise of Warrants is illustrated in the Pro Forma Consolidated SOFP in accordance with Paragraph 5.15(a) of the Prospectus Guidelines and Listing Requirements.

3.3 Utilisation of proceeds

The details of utilisation of gross proceeds under Minimum Scenario and Maximum Scenario are as below:

	Minimum Scenario RM'000	Maximum Scenario RM'000
<u>Utilisation of proceeds</u>		
Acquisition	39,800	39,800
Repayment of bank borrowings	12,386	37,680
Working capital	6,314	16,620
Estimated expenses for the Multiple Proposals	1,500	1,500
	<b>60,000</b>	<b>95,600</b>

The utilisation of proceeds is illustrated in the Pro Forma Consolidated SOFP in accordance with Paragraph 5.15(c) of the Prospectus Guidelines.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

## APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

**4. Pro Forma Effects - Minimum Scenario**

**4.1 Pro Forma I**

Pro Forma I is stated after incorporating the effect after the completion of the Rights Issue with Warrants based on minimum subscription level of 705,882,353 Rights Shares together with 470,588,235 Warrants as set out in Note 3.2(i) to the Pro Forma Consolidated SOFP.

The minimum subscription of 705,882,353 Rights Shares will raise cash proceeds of RM60 million.

The issuance of 470,588,235 Warrants will result in recognition of a warrant reserve of RM23.529 million from the Rights Issue with Warrants. The warrant reserve represents the estimated fair value of the Warrants at RM0.050 per Warrant determined using Trinomial option pricing model based on the following input:

a) Fair value of share	: RM0.0879
b) Warrant exercise price	: RM0.07
c) Tenure (from the date of issuance of the Warrants)	: 5 years
d) Dividend yield	: 0%
e) Risk free interest rate	: 3.580%
f) Volatility share price	: 60.877%

**4.2 Pro Forma II**

Pro Forma II is stated after incorporating the effect of Pro Forma I and effects of Acquisition as set out in Note 3.1 and after the utilisation of proceeds as set out in Note 3.3 under Minimum Scenario to the Pro Forma Consolidated SOFP.

The Acquisition is assumed to be utilised from the proceeds amounting to RM39.80 million.

The repayment of bank borrowings are assumed to be utilised from the proceeds amounting to RM12.386 million.

The proceeds to be utilised for working capital requirements are assumed to be retained as cash and bank balances.

The estimated expenses of RM1.5 million to be incurred for Multiple Proposals are charged to retained earnings.

**4.3 Pro Forma III**

Pro Forma III is stated after incorporating the effects of Pro Forma II and the effects of full exercise of 470,588,235 Warrants to the Pro Forma Consolidated SOFP.

The full exercise of 470,588,235 Warrants will result in the increase of Iconic share capital of RM56.471 million. The proceeds to be raised from the full exercise of 470,588,235 Warrants amounting to RM32.942 million are assumed to be retained as cash and bank balances.

The whole warrant reserve will be transferred to share capital upon the full exercise of 470,588,235 Warrants.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

## APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

## 5. Effect on the Pro Forma Consolidated SOFP

## 5.1 Minimum scenario

## (a) Investment properties

	RM'000
As at 31 December 2023/Pro Forma I	21,054
Effect of Pro Forma II	
- Acquisition	45,700
Pro Forma II/Pro Forma III	<u>66,754</u>

## (b) Goodwill

	RM'000
As at 31 December 2023/Pro Forma I	-
Effect of Pro Forma II	
- Acquisition	129
Pro Forma II/Pro Forma III	<u>129</u>

## (c) Current tax assets

	RM'000
As at 31 December 2023/Pro Forma I	1,199
Effect of Pro Forma II	
- Acquisition	*
Pro Forma II/Pro Forma III	<u>1,199</u>

\* Less than RM1,000.

## (d) Cash and bank balances

	RM'000
As at 31 December 2023	7,199
Effects of Pro Forma I	
- Rights Issue with Warrants	60,000
Pro Forma I	<u>67,199</u>
Effects of Pro Forma II	
- Acquisition	20
- Payment of estimated expenses for Multiple Proposals	(1,500)
- Repayment of bank borrowings	(12,386)
- Consideration paid for Acquisition	(39,800)
Pro Forma II	<u>13,533</u>
Effects of Pro Forma III	
- Effect of full exercise of Warrants	32,942
Pro Forma III	<u>46,475</u>

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

## 5. Effect on the Pro Forma Consolidated SOFP (cont'd)

## 5.1 Minimum scenario (cont'd)

## (e) Share capital

	No. of shares ( <b>'000</b> )	RM' <b>000</b>
As at 31 December 2023	562,353	148,393
Effects of Pro Forma I		
- Rights Issue with Warrants	705,882	36,471
Pro Forma I/Pro Forma II	1,268,235	184,864
Effects of Pro Forma III		
- Effect of full exercise of Warrants	470,588	56,471
Pro Forma III	1,738,823	241,335

## (f) Warrant reserve

	RM' <b>000</b>
As at 31 December 2023	
Effects of Pro Forma I	
- Rights Issue with Warrants	23,529
Pro Forma I/Pro Forma II	23,529
Effects of Pro Forma III	
- Effect of full exercise of warrants	(23,529)
Pro Forma III	-

## (g) Accumulated losses

	RM' <b>000</b>
As at 31 December 2023/Pro Forma I	(12,091)
Effects of Pro Forma II	
- Payment of estimated expenses for Multiple Proposals	(1,500)
Pro Forma II/Pro Forma III	(13,591)

## (h) Borrowings

	RM' <b>000</b>
As at 31 December 2023/Pro Forma I	99,783
Effects of Pro Forma II	
- Repayment of bank borrowings	(12,386)
Pro Forma II/Pro Forma III	87,397

## (i) Deferred tax liabilities

	RM' <b>000</b>
As at 31 December 2023/Pro Forma I	4,056
Effects of Pro Forma II	
- Acquisition	4,570
Pro Forma II/Pro Forma III	8,626

## (j) Trade and other payables

	RM' <b>000</b>
As at 31 December 2023/Pro Forma I	35,965
Effects of Pro Forma II	
- Purchase Consideration	39,800
- Consideration paid for Acquisition	(39,800)
- Acquisition	1,479
Pro Forma II/Pro Forma III	37,444

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD

REGISTRATION NO. 196901000067 (8386-P)

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONT'D)

**6. Pro Forma Effects - Maximum Scenario****6.1 Pro Forma I**

Pro Forma I is stated after incorporating the effect after the completion of the Rights Issue with Warrants based on maximum subscription level of 1,124,706,544 Rights Shares together with 749,804,362 Warrants as set out in Note 3.2(ii) to the Pro Forma Consolidated SOFP.

The maximum subscription of 1,124,706,544 Rights Shares will raise cash proceeds of RM95.6 million.

The issuance of 749,840,362 Warrants will result in recognition of a warrant reserve of RM37.490 million from the Rights Issue with Warrants. The warrant reserve represents the estimated fair value of the Warrants at RM0.050 per Warrant determined using Trinomial option pricing model based on the following input:

a) Fair value of share	: RM0.0853
b) Warrant exercise price	: RM0.07
c) Tenure (from the date of issuance of the Warrants)	: 5 years
d) Dividend yield	: 0%
e) Risk free interest rate	: 3.580%
f) Volatility share price	: 60.877%

**6.2 Pro Forma II**

Pro Forma II is stated after incorporating the effect of Pro Forma I and effects of Acquisition as set out in Note 3.1 and after the utilisation of proceeds as set out in Note 3.3 under Minimum Scenario to the Pro Forma Consolidated SOFP.

The Acquisition is assumed to be utilised from the proceeds amounting to RM39.80 million.

The repayment of bank borrowings are assumed to be utilised from the proceeds amounting to RM37.68 million.

The proceeds to be utilised for working capital requirements are assumed to be retained as cash and bank balances.

The estimated expenses of RM1.50 million to be incurred for Multiple Proposals are charged to retained earnings.

**6.3 Pro Forma III**

Pro Forma III is stated after incorporating the effects of Pro Forma II and the effects of full exercise of 749,804,362 Warrants to the Pro Forma Consolidated SOFP.

The full exercise of 749,804,362 Warrants will result in the increase of Iconic share capital of RM89.976 million. The proceeds to be raised from the full exercise of 749,804,362 Warrants amounting to RM52.486 million are assumed to be retained as cash and bank balances.

The whole warrant reserve will be transferred to share capital upon the full exercise of 749,804,362 Warrants.

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

## APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

## 7. Effect on the Pro Forma Consolidated SOFP (cont'd)

## 7.1 Maximum scenario

## (a) Investment properties

	RM'000
As at 31 December 2023/Pro Forma I	21,054
Effect of Pro Forma II	
- Acquisition	45,700
Pro Forma II/Pro Forma III	<u>66,754</u>

## (b) Goodwill

	RM'000
As at 31 December 2023/Pro Forma I	-
Effect of Pro Forma II	
- Acquisition	129
Pro Forma II/Pro Forma III	<u>129</u>

## (c) Current tax assets

	RM'000
As at 31 December 2023/Pro Forma I	1,199
Effect of Pro Forma II	
- Acquisition	*
Pro Forma II/Pro Forma III	<u>1,199</u>

\* Less than RM1,000

## (d) Cash and bank balances

	RM'000
As at 31 December 2023	7,199
Effects of Pro Forma I	
- Rights Issue with Warrants	95,600
Pro Forma I	<u>102,799</u>
Effects of Pro Forma II	
- Acquisition	20
- Payment of estimated expenses for Multiple Proposals	(1,500)
- Repayment of bank borrowings	(37,680)
- Consideration paid for Acquisition	(39,800)
Pro Forma II	<u>(78,060)</u>
Effects of Pro Forma III	
- Effect of full exercise of Warrants	52,486
Pro Forma III	<u>76,325</u>



**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (cont'd)**

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (CONT'D)

## 7. Effect on the Pro Forma Consolidated SOFP (cont'd)

## 7.1 Maximum scenario (cont'd)

## (e) Share capital

	No. of shares ( <sup>'000</sup> )	RM'000
As at 31 December 2023	562,353	148,393
Effects of Pro Forma I		
- Rights Issue with Warrants	1,124,707	58,110
Pro Forma I/Pro Forma II	1,687,060	206,503
Effects of Pro Forma III		
- Effect of full exercise of Warrants	749,804	89,976
Pro Forma III	2,436,864	296,479

## (f) Warrant reserve

	RM'000
As at 31 December 2023	-
Effects of Pro Forma I	
- Rights Issue with Warrants	37,490
Pro Forma I/Pro Forma II	37,490
Effects of Pro Forma III	
- Effect of full exercise of Warrants	(37,490)
Pro Forma III	-

## (g) Accumulated losses

	RM'000
As at 31 December 2023/Pro Forma I	(12,091)
Effects of Pro Forma II	
- Payment of estimated expenses for Multiple Proposals	(1,500)
Pro Forma II/Pro Forma III	(13,591)

## (h) Borrowings

	RM'000
As at 31 December 2023/Pro Forma I	99,783
Effects of Pro Forma II	
- Repayment of bank borrowings	(37,680)
Pro Forma II/Pro Forma III	62,103

## (i) Deferred tax liabilities

	RM'000
As at 31 December 2023/Pro Forma I	4,056
Effects of Pro Forma II	
- Acquisition	4,570
Pro Forma II/Pro Forma III	8,626

## (j) Trade and other payables

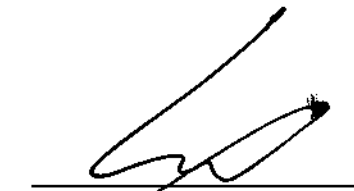
	RM'000
As at 31 December 2023/Pro Forma I	35,965
Effects of Pro Forma II	
- Purchase Consideration	39,800
- Consideration paid for Acquisition	(39,800)
- Acquisition	1,479
Pro Forma II/Pro Forma III	37,444

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON**  
*(cont'd)*

APPENDIX I

ICONIC WORLDWIDE BERHAD  
REGISTRATION NO. 196901000067 (8386-P)  
STATEMENT BY DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated **08 MAR 2024**

  
\_\_\_\_\_  
Dato' Seri Tan Kean Tet  
Director  
\_\_\_\_\_  
Tan Cho Chia  
Director

**ECOVIS MALAYSIA PLT**  
(# 001825)  
Chartered Accountants  
For identification purposes only

**VALUATION CERTIFICATE ON THE SUBJECT LAND**


**HENRY BUTCHER MALAYSIA**  
International Asset Consultants

Our Ref : V/PG/DY2236 (UL3)  
Date : 29<sup>th</sup> January 2024

**PRIVATE & CONFIDENTIAL**  
**ICONIC WORLDWIDE BERHAD**  
70-1-30, D'Piazza Mall  
Jalan Mahsuri, Bandar Bayan Baru  
11900 Bayan Lepas  
Pulau Pinang

Dear Sirs,

**UPDATE VALUATION OF A PARCEL OF VACANT LAND IDENTIFIED AS LOT NO. 7685 HELD UNDER TITLE NO. GERAN 59034, MUKIM 13, DISTRICT OF TIMOR LAUT, STATE OF PULAU PINANG ("SUBJECT PROPERTY").**

This update valuation is prepared for the inclusion in the abridged prospectus of Iconic Worldwide Berhad in relation to the Rights Issue with Warrants undertaken by Iconic Worldwide Berhad to finance the Proposed Acquisition.

In accordance with the instructions from IWB, the objective of this update valuation is for the review of the Market Values reported in our valuation report and update valuation letter bearing Reference Nos. V/PG/DY2236 dated 3<sup>rd</sup> June 2022 ("**Full Valuation Report**"), V/PG/DY2236 (UL) dated 10<sup>th</sup> February 2023 and V/PG/DY2236 (UL2) dated 2<sup>nd</sup> August 2023 ("**Update Valuation Letters**") respectively. We have conducted a cursory inspection of the Subject Property on 29<sup>th</sup> January 2024. Therefore, the material date of this update valuation is 29<sup>th</sup> January 2024.

This update valuation has been carried out in compliance with the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (6<sup>th</sup> Edition of MVS and effective from 1<sup>st</sup> January 2019) and the Asset Valuation Guidelines (1<sup>st</sup> Revision Series No. SC-GL/AV-2009 (R1-2017) dated 19<sup>th</sup> January 2017 and effective from 20<sup>th</sup> March 2017) issued by the Securities Commission Malaysia.

The basis of valuation adopted for the purpose of this valuation is **Market Value**. The term **Market Value**, as defined in the Malaysian Valuation Standards 6<sup>th</sup> Edition 2019, is "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

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Valuation | Real Estate Agency | Investment Advisory | International Marketing | Market Research | Development Consultancy |  
Project Marketing | Asset Management | Property Management | Retail Consultancy | Auctions | Plant & Machinery | Art Consultancy

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****DESCRIPTION OF THE SUBJECT PROPERTY**

The Subject Property comprises a parcel of freehold vacant land identified as Lot No. 7685 sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong, in the locality of Paya Terubong on Penang Island.

At the date of our cursory inspection, no significant material changes to the physical condition of the Subject Property that would affect the contents of the valuation between the dates of Full Valuation Report, Update Valuation Letter and this current update valuation.

**TITLE PARTICULARS**

We wish to confirm that there are no changes to the particulars of the title in respect of the Subject Property since the dates of the Full Valuation Report, Update Valuation Letters and this current update valuation.

**LOCAL AUTHORITY SEARCHES**

In accordance with the gazetted *Rancangan Struktur Negeri Pulau Pinang 2030*, the Subject Property is located within an area zoned as "Hutan".

Pursuant to the letter issued by local licensed architect i.e. Messrs. BYG Architecture Sdn. Bhd. ("BYG"), we noted that despite of the zoning of the Subject Property under "Hutan", there is a development potential in respect of the Subject Property for residential purpose subject to change of the prescribed zoning followed by subsequent approvals of Planning and Building.

BYG has taken note that the rezoning application is subjected to the non-approval risks attributable to factors such as negative impact on surrounding properties, zoning consistency within the area, legal and technical compliance, building height and residential density considerations as well as slope stability and geotechnical concerns for land designated as 'Hill Land'.

However, BYG are of the opinion that the success rate may possibly outweigh the risks after taking into consideration that rezoning of the Subject Property, if undertaken would be supported by the factors such as the location of the Subject Property which is sited adjacent to residential developments (i.e. Green Garden, Eco Terrace, Taman Paya Terubong, Suria Vista Apartment and Majestic Heights) and its location which is located within a short distance to the Bukit Kukus Paired Road, which had been precedented in some cases with similar circumstances.

While the risks are considerable for the Subject Property, BYG is of the opinion that the application is still in equally good standing to obtain approval from the Penang State Planning Committee. Furthermore, the IWB will endeavor to comply with the submission requirements so that the chances of non-approval of the rezoning application would be remote.

**MARKET OBSERVATION**

We wish to confirm that we have not been notified of any significant material changes to the market condition of the Subject Property between the dates of the Full Valuation Report, Update Valuation Letters and this current update valuation.

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****VALUATION APPROACH**

We have adopted the same valuation approach as stated in the Full Valuation Report i.e. the Comparison Approach in formulating our opinion of the Market Value of the Subject Property.

We have adopted only one method of valuation i.e. Comparison Approach in this valuation as other alternative methods such as the Income Approach or Cost Approach as defined in the Malaysian Valuation Standards 6<sup>th</sup> Edition 2019 are not applicable. The reason is due to the fact that the Subject Property comprises a parcel of vacant land without any development approval or approved layout plan by the Local Authority as at the date of valuation.

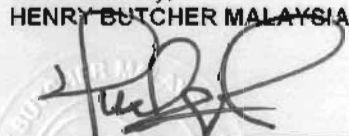
We wish to draw the attention that no recent transaction of land with similar characteristic reported between the date of last update valuation i.e. 1<sup>st</sup> August 2023 and 29<sup>th</sup> January 2024. In view of this, we have adopted similar Comparables stated in our Full Valuation Report in arriving at the Market Value of the Subject Property.

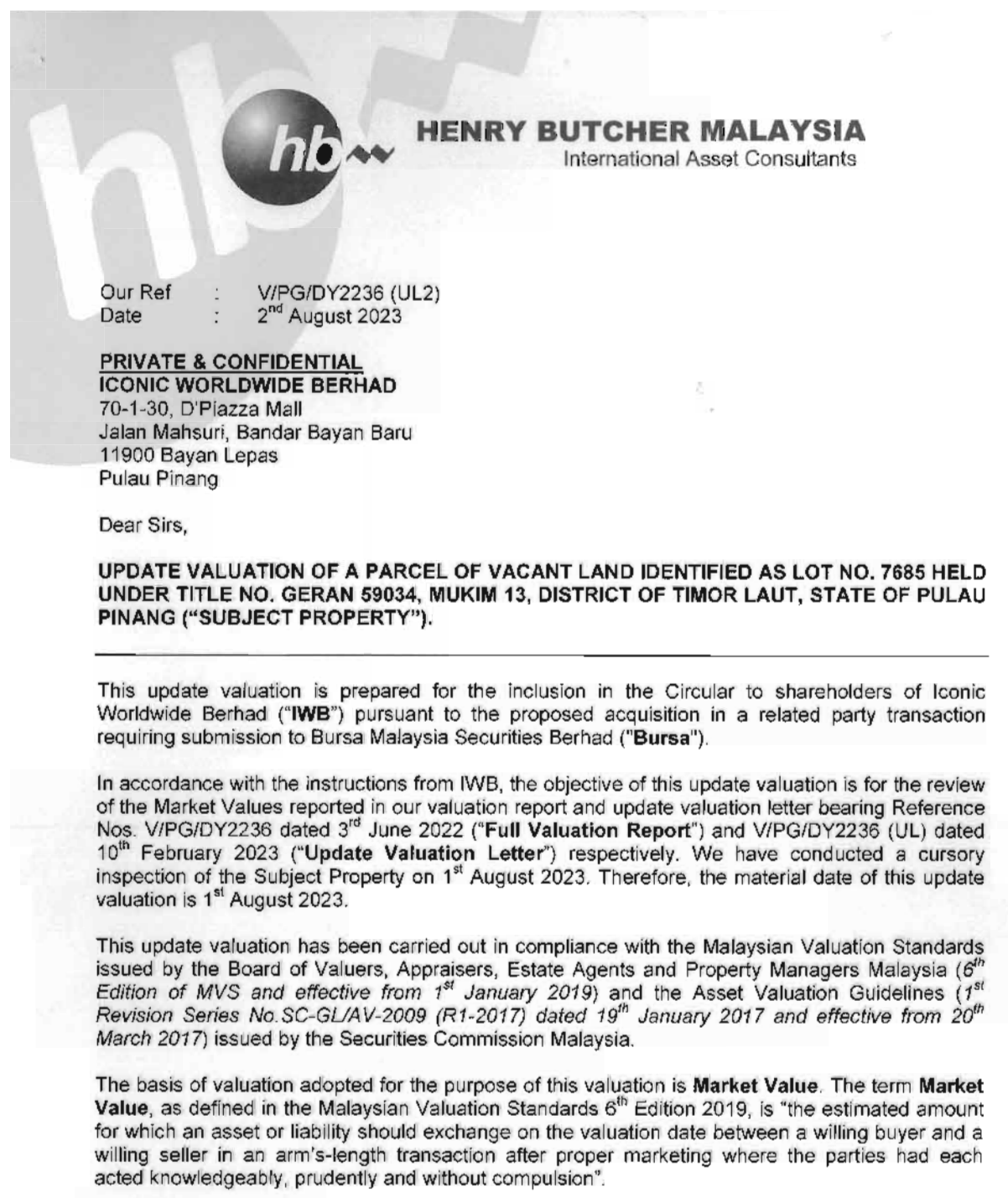
We hereby confirm that there is no change in the Market Value as reported in the Full Valuation Report and Update Valuation Letter.

**OPINION OF VALUE**

Having regard to the foregoing and taken into consideration of the rezoning possibility of the Subject Property as per BYG's comments and opinions, our opinion of the **Market Value** of the full share freehold interest of the **Subject Property** identified as Lot No. 7685 held under Title No. Geran 59034, Mukim 13, District of Timor Laut, State of Pulau Pinang as at 29<sup>th</sup> January 2024 **ON AN "AS IS" BASIS, WITH VACANT POSSESSION AND SUBJECT TO THE TITLE BEING GOOD, REGISTRABLE, MARKETABLE, FREE FROM ALL ENCUMBRANCES, ENDORSEMENTS, STATUTORY NOTICES AND OUTGOINGS** is **RM45,700,000** (Ringgit Malaysia Forty Five Million And Seven Hundred Thousand Only).

Yours faithfully,  
HENRY BUTCHER MALAYSIA (Penang) Sdn Bhd

  
\_\_\_\_\_  
**SR. DR. TEOH POH HUAT**  
**FRICS, FRISM**  
Chartered Surveyor / Registered Valuer  
Designation: Director  
Registered Number: V-296

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)**

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**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****DESCRIPTION OF THE SUBJECT PROPERTY**

The Subject Property comprises a parcel of freehold vacant land identified as Lot No. 7685 sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong, in the locality of Paya Terubong on Penang Island.

At the date of our cursory inspection, no significant material changes to the physical condition of the Subject Property that would affect the contents of the valuation between the dates of Full Valuation Report, Update Valuation Letter and this current update valuation.

**TITLE PARTICULARS**

We wish to confirm that there are no changes to the particulars of the title in respect of the Subject Property since the dates of the Full Valuation Report, Update Valuation Letter and this current update valuation.

**LOCAL AUTHORITY SEARCHES**

In accordance with the gazetted *Rancangan Struktur Negeri Pulau Pinang 2030*, the Subject Property is located within an area zoned as "Hutan".

Pursuant to the letter issued by local licensed architect i.e. Messrs. BYG Architecture Sdn. Bhd. ("BYG"), we noted that despite of the zoning of the Subject Property under "Hutan", there is a development potential in respect of the Subject Property for residential purpose subject to change of the prescribed zoning followed by subsequent approvals of Planning and Building.

BYG has taken note that the rezoning application is subjected to the non-approval risks attributable to factors such as negative impact on surrounding properties, zoning consistency within the area, legal and technical compliance, building height and residential density considerations as well as slope stability and geotechnical concerns for land designated as 'Hill Land'.

However, BYG are of the opinion that the success rate may possibly outweigh the risks after taking into consideration that rezoning of the Subject Property, if undertaken would be supported by the factors such as the location of the Subject Property which is sited adjacent to residential developments (i.e. Green Garden, Eco Terrace, Taman Paya Terubong, Suria Vista Apartment and Majestic Heights) and its location which is located within a short distance to the Bukit Kukus Paired Road, which had been precedented in some cases with similar circumstances.

While the risks are considerable for the Subject Property, BYG is of the opinion that the application is still in equally good standing to obtain approval from the Penang State Planning Committee. Furthermore, the IWB will endeavor to comply with the submission requirements so that the chances of non-approval of the rezoning application would be remote.

**MARKET OBSERVATION**

We wish to confirm that we have not been notified of any significant material changes to the market condition of the Subject Property between the dates of the Full Valuation Report, Update Valuation Letter and this current update valuation.

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****VALUATION APPROACH**

We have adopted the same valuation approach as stated in the Full Valuation Report i.e. the Comparison Approach in formulating our opinion of the Market Value of the Subject Property.

We have adopted only one method of valuation i.e. Comparison Approach in this valuation as other alternative methods such as the Income Approach or Cost Approach as defined in the Malaysian Valuation Standards 6<sup>th</sup> Edition 2019 are not applicable. The reason is due to the fact that the Subject Property comprises a parcel of vacant land without any development approval or approved layout plan by the Local Authority as at the date of valuation.


We wish to draw the attention that no recent transaction of land with similar characteristic reported between the date of last update valuation i.e. 10<sup>th</sup> February 2023 and 1<sup>st</sup> August 2023. In view of this, we have adopted similar Comparables stated in our Full Valuation Report in arriving at the Market Value of the Subject Property.

We hereby confirm that there is no change in the Market Value as reported in the Full Valuation Report and Update Valuation Letter.

**OPINION OF VALUE**

Having regard to the foregoing and taken into consideration of the rezoning possibility of the Subject Property as per BYG's comments and opinions, our opinion of the **Market Value** of the full share freehold interest of the **Subject Property** identified as Lot No. 7685 held under Title No. Geran 59034, Mukim 13, District of Timor Laut, State of Pulau Pinang as at 1<sup>st</sup> August 2023 **ON AN "AS IS" BASIS, WITH VACANT POSSESSION AND SUBJECT TO THE TITLE BEING GOOD, REGISTRABLE, MARKETABLE, FREE FROM ALL ENCUMBRANCES, ENDORSEMENTS, STATUTORY NOTICES AND OUTGOINGS** is **RM45,700,000** (Ringgit Malaysia Forty Five Million And Seven Hundred Thousand Only).

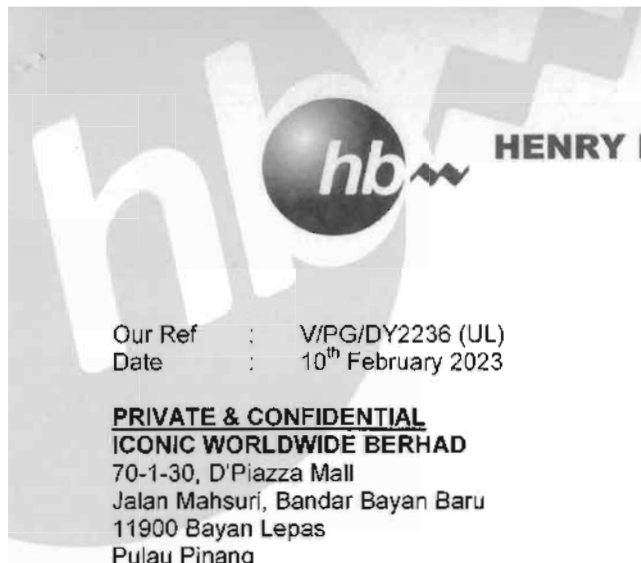
Yours faithfully,  
HENRY BUTCHER MALAYSIA (Penang) Sdn Bhd



**SR. DR. TEOH POH HUAT**  
**FRICS, FRISM**

Chartered Surveyor / Registered Valuer  
Designation: Director  
Registered Number: V-296



**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)**

**HENRY BUTCHER MALAYSIA**  
International Asset Consultants

Our Ref : V/PG/DY2236 (UL)  
Date : 10<sup>th</sup> February 2023

**PRIVATE & CONFIDENTIAL**  
**ICONIC WORLDWIDE BERHAD**  
70-1-30, D'Piazza Mall  
Jalan Mahsuri, Bandar Bayan Baru  
11900 Bayan Lepas  
Pulau Pinang

Dear Sirs,

**UPDATE VALUATION OF A PARCEL OF VACANT LAND IDENTIFIED AS LOT NO. 7685 HELD UNDER TITLE NO. GERAN 59034, MUKIM 13, DISTRICT OF TIMOR LAUT, STATE OF PULAU PINANG ("SUBJECT PROPERTY").**

This update valuation is prepared for the inclusion in the Circular to shareholders of Iconic Worldwide Berhad ("IWB") pursuant to the proposed acquisition in a related party transaction requiring submission to Bursa Malaysia Securities Berhad ("Bursa").

In accordance with the instructions from IWB, the objective of this update valuation is for the review of the Market Value reported in our valuation report bearing Reference No. V/PG/DY2236 dated 3<sup>rd</sup> June 2022 ("Full Valuation Report"). We have conducted cursory inspection of the Subject Property on 10<sup>th</sup> February 2023. Therefore, the material date of this update valuation is 10<sup>th</sup> February 2023.

This update valuation has been carried out in compliance with the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (6<sup>th</sup> Edition of MVS and effective from 1<sup>st</sup> January 2019) and the Asset Valuation Guidelines (1<sup>st</sup> Revision Series No.SC-GL/AV-2009 (R1-2017) dated 19<sup>th</sup> January 2017 and effective from 20<sup>th</sup> March 2017) issued by the Securities Commission Malaysia.

The basis of valuation adopted for the purpose of this valuation is **Market Value**. The term **Market Value**, as defined in the Malaysian Valuation Standards 6<sup>th</sup> Edition 2019, is "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

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**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****DESCRIPTION OF THE SUBJECT PROPERTY**

The Subject Property comprises a parcel of freehold vacant land identified as Lot No. 7685 sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong, in the locality of Paya Terubong on Penang Island.

At the date of our cursory inspection, no significant material changes to the physical condition of the Subject Property that would affect the contents of the valuation between the date of Full Valuation Report and the date of this update valuation.

**TITLE PARTICULARS**

We wish to confirm that there are no changes to the particulars of the title in respect of the Subject Property since the date of the Full Valuation Report.

**MARKET OBSERVATION**

We wish to confirm that we have not been notified of any significant material changes to the market condition of the Subject Property between the date of the Full Valuation Report and the date of this update valuation.

**VALUATION APPROACH**


We have adopted the same valuation approach as stated in the Full Valuation Report i.e. the Comparison Approach in formulating our opinion of the Market Value of the Subject Property. We hereby confirm that there is no change in the Market Value as reported in the Full Valuation Report.

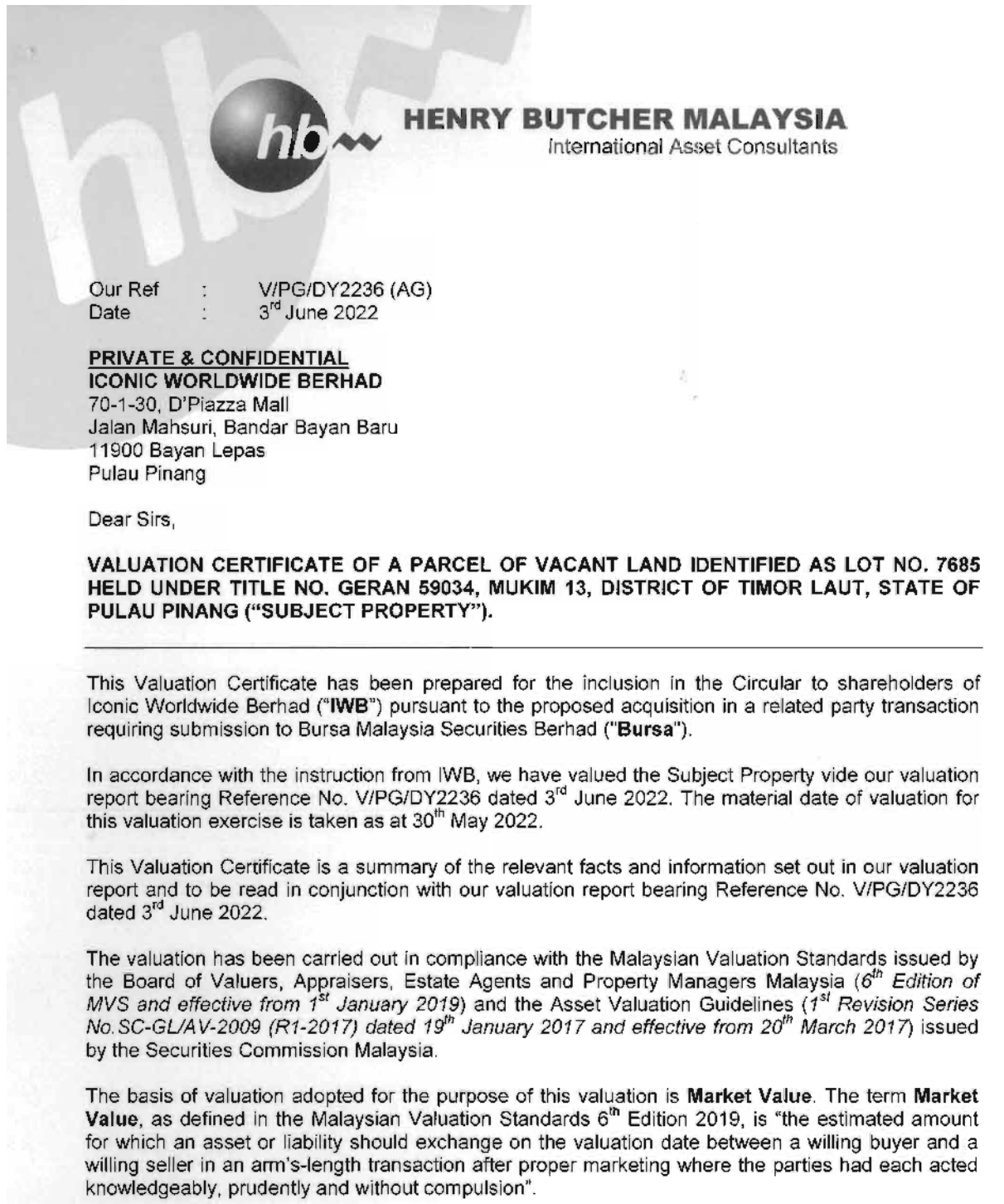
We have adopted only one method of valuation i.e. Comparison Approach in this valuation as other alternative methods such as the Income Approach or Cost Approach as defined in the Malaysian Valuation Standards 6<sup>th</sup> Edition 2019 are not applicable. The reason is due to the fact that the Subject Property comprises a parcel of vacant land without any development approval or approved layout plan by the Local Authority as at the date of valuation.

**OPINION OF VALUE**

Having regard to the foregoing, our opinion of the **Market Value** of the full share freehold interest of the **Subject Property** identified as Lot No. 7685 held under Title No. Geran 59034, Mukim 13, District of Timor Laut, State of Pulau Pinang as at 10<sup>th</sup> February 2023 **ON AN "AS IS" BASIS, WITH VACANT POSSESSION AND SUBJECT TO THE TITLE BEING GOOD, REGISTRABLE, MARKETABLE, FREE FROM ALL ENCUMBRANCES, ENDORSEMENTS, STATUTORY NOTICES AND OUTGOINGS** is **RM45,700,000** (Ringgit Malaysia Forty Five Million And Seven Hundred Thousand Only).

Yours faithfully,  
HENRY BUTCHER MALAYSIA (Penang) Sdn Bhd

  
**SR. DR. TEOH POH HUAT (V-296)**  
**FRICS, FRISM**  
Chartered Surveyor / Registered Valuer  
Designation: Director  
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**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)**

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**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****TERMS OF REFERENCE**

We are instructed by IWB to ascertain the Market Value of the Subject Property for the purpose of proposed acquisition in a related party transaction requiring submission to Bursa on an "As Is" basis, with vacant possession and subject to the title being good, registrable, marketable, free from all encumbrances, endorsements, statutory notices and outgoings.

**INTEREST TO BE VALUED**

The interest to be valued comprises a parcel of freehold vacant land sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong identified as Lot No. 7685 held under Title No. Geran 59034, Mukim 13, District of Timor Laut, State of Pulau Pinang.

**DESCRIPTION AND LOCATION OF THE SUBJECT PROPERTY**

The Subject Property comprises a parcel of freehold vacant land identified as Lot No. 7685 sited adjacent to a flatted residential development known as Green Garden and is located along the main thoroughfare of Jalan Paya Terubong, in the locality of Paya Terubong on Penang Island.

The Subject Property is located within a mixed development neighbourhood comprising mainly condominiums, apartments, flats, terraced, semi-detached and detached houses, townhouses, shopoffices and commercial buildings.

Prominent landmarks in the vicinity include *Pasar & Kompleks Makanan Taman Terubong Jaya*, Pine Valley Business Centre, Goldhill Complex, Petronas, Shell & Caltex petrol stations, United Hokkien Cemeteries Penang, EconSave Supermarket, Permata Sports Complex and *Balai Bomba Dan Penyelamat Paya Terubong* and the proposed Sunway Valley City by Sunway Group.

Residential developments located nearby include Green Garden, Majestic Height, Taman Suria Vista (apartment and townhouse developments), Taman Terubong Indah, Taman Terubong Jaya, Flat Paya Terubong, Kiara Indah, Bukit Saujana, Bukit Awana, Sunmoon City, Taman Paya Terubong, Taman Terubong Indah Phase 2A, Taman Oriental, Eco Terraces, Pine Residences and two (2) on-going affordable housing developments known as The Stone and The Dew, both undertaken by PLB Group.

The Subject Property is situated approximately 10.2 km due south-west of *Kompleks Tun Abdul Razak ("KOMTAR")*, is about 5.9 km due south of Penang Hill Lower Station and is about 10 km due north of Penang International Airport ("PIA") in Bayan Lepas.

The Subject Property is approachable from KOMTAR via Jalan Magazine, Jalan Datuk Keramat, Jalan Air Itam, Jalan Paya Terubong and thence onto a service road leading to the south-eastern portion of the Subject Property. Alternatively, the Subject Property is accessible from PIA via Jalan Tun Dr Awang, Persiaran Bukit Jambul, Bukit Kukus Paired Road, Jalan Paya Terubong and thence onto a service road leading to the south-eastern portion of the Subject Property, all being well-maintained metalled roads.

The site is generally undulating to hilly in terrain and slopes upwards from about 80 metres above sea level at its south-eastern portion to about 220 metres at its north-western portion.

The boundaries of the site are not physically demarcated by any form of fencing.

At the date of our inspection, we noted that the site is generally overgrown with wild vegetation and still mainly covered with secondary jungle.

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****TITLE PARTICULARS**

Brief particulars of title of the Subject Property as extracted from title search conducted and obtained from the Penang Land Registry on 3<sup>rd</sup> June 2022 are as follows:-

Lot No. : 7685, Mukim 13, District of Timor Laut, State of Pulau Pinang.

Title No. : Geran 59034

Tenure : Freehold

Category of Land Use : *Tiada*

Title Land Area : 6.07 hectares

Registered Proprietor : **GOLDENLUCK DEVELOPMENT SDN. BHD.** – full share

Express Conditions : (FIRST GRADE)

The Land comprised in this title:

(a) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and

(b) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;

and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).

Restriction-In-Interest : *Tiada*

Encumbrances : Nil

Endorsement : Nil

**LOCAL AUTHORITY SEARCHES**

Our enquiries conducted at the Department of Urban Planning and Development of *Majlis Bandaraya Pulau Pinang* ("M.B.P.P.") (*Jabatan Perancang Pembangunan, M.B.P.P.*) revealed that the Subject Property is located within an area zoned "Tanah Bukit" (Hill land).

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****VALUATION METHODOLOGY**

We have adopted the **Comparison Approach** of valuation to assess the Market Value of the Subject Property.

**Comparison Approach** is the Market Approach of comparing the Subject Property with similar properties that were transacted recently, due consideration is given to factors such as market condition (time), size (land area), location, terrain and zoning to arrive at our opinion of Market Value of the Subject Property.

It is pertinent to note that valuation of property for submission to Bursa has to be undertaken by two recognised Methods of Valuation (Paragraph 4.06 of Asset Valuation Guidelines). However, for this valuation we have adopted only one method of valuation i.e. Comparison Approach in this valuation as other alternative methods such as the Income Approach or Cost approach as defined in the *Malaysian Valuation Standards Sixth Edition 2019* are not applicable. The reason is due to the fact that the Subject Property comprises a parcel of vacant land without any development approval or approved layout plan by the Local Authority as at the date of valuation.

**SUMMARY OF COMPARISON APPROACH**

We wish to draw the attention that no transaction of similar land in terms of zoning, terrain and size recorded in the District of Timor Laut on Penang Island over the last 7 years. Therefore, for the purpose of this valuation, we have utilised three (3) comparables with similar aspects i.e. hilly vacant land located in Mukim 11 and Mukim 12 of District of Barat Daya in our valuation computation of Comparison Approach.

Details of the comparables are presented as follows :-

	Comparable No. 1	Comparable No. 2	Comparable No. 3
Property particulars	Lot Nos. 359, 362 & 553 held under Title Nos. Geran Mukim 617, Geran Mukim 503 & Geran Mukim 537 respectively, all within Mukim 11, District of Barat Daya, Pulau Pinang.	Lot No. 918 held under Title No. Geran Mukim 283, Mukim 11, District of Barat Daya, Pulau Pinang.	Lot No. 17073 held under Title No. Geran 121271, Mukim 12, District of Barat Daya, Pulau Pinang.
Location	Along Jalan Permatang Damar Laut (Permatang Damar Laut in Bayan Lepas)	Off Lorong Kampung Bukit 3 (Near to Sungai Ara)	Along Jalan Sungai Ara 1, Sungai Ara
Type of property	3 adjoining parcels of vacant land	A parcel of vacant land	A parcel of vacant land
Zoning	Residential	Hill Land	Residential
Distance from Subject Property	10.6 km	9.7 km	7.4 km
Transaction date	16 February 2021	16 January 2018	20 October 2015
Vendor	Charterway Development Sdn Bhd	GSM Feedmills Sdn Bhd	WLB Properties Sdn Bhd
Purchaser	M Summit Premium Sdn Bhd	Charterway Realty Sdn Bhd	Diamaward (M) Sdn Bhd
Tenure	Freehold interest		
Share	Full Share		
Source	Sale & Purchase Agreement	<i>Jabatan Penilaian dan Perkhidmatan Hartanah</i>	
Land area	130,098 sq. ft.	162,524 sq. ft.	422,376 sq. ft.
	2.987 acres	3.731 acres	9.696 acres
Consideration	RM10,407,836	RM14,302,138	RM57,020,420
Based Value	RM80.00 per sq. ft.	RM88.00 per sq. ft.	RM135.00 per sq. ft.

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)**

	Comparable No. 1	Comparable No. 2	Comparable No. 3
<b>Remarks :-</b>			
- Time difference	15.4 months	52.4 months	79.4 months
- Size (land area)	Smaller	Smaller	Smaller
- Location	Poorer	Similar	Better
- Terrain	Better (Hilly : 20m to 40m above sea level)	Better (Hilly : 20m to 50m above sea level)	Better (Hilly : 60m to 120m above sea level)
- Zoning	Better	Similar	Better
<b>Adjustments</b>	Property values in the locality of this Comparable appear to be relatively stable over the past 15.4 months, hence, no adjustment has been made for time (market condition) factor.	Property values in the locality of this Comparable appear to be relatively stable over the past 52.4 months, hence, no adjustment has been made for time (market condition) factor	The overall property market situation in Penang was much better in 2015 as compared to 2022. Generally, the demand of hill land with the potential of high-rise affordable housing development is high during this period due to the fact that many local developers are keen to build affordable housing developments based on the initiatives and "friendly" guidelines with reasonable controlled pricing imposed on affordable housing development by Penang State Government. However, based on the current rapid price hike of building materials for construction due to high inflation coupled with the continuous and prolong shortage of labour force in construction site recently, the total new development cost of housing project has increased substantially recently in directly slowed down the performances of the overall property market in Penang. Hence, a downward adjustment has been made for time (market condition) factor.
	The land area of Subject Property is larger than this Comparable, hence a downward adjustment has been made for size (land area) factor.		
	The location of the Subject Property is superior than this Comparable due to the fact that Subject Property is situated within a short distance to the established Paya Terubong Town Centre with good amenities located nearby, hence an upward adjustment has been made for location factor.	The location of the Subject Property and this Comparable are similar in nature, both are being surrounded by flatted residential developments. Hence, no adjustment has been made for location factor.	The location of this Comparable is superior than the Subject Property due to the fact this Comparable is situated in the Sungai Ara Town Centre and located within a short distance to the Penang International Airport as well as the Bayan Lepas Industrial Park, hence an downward adjustment has been made for location factor.
	The terrain of the Subject Property is steeper than this Comparable, hence a downward adjustment has been made for terrain factor.		
	The zoning of this Comparable is superior than the Subject Property, hence an downward adjustment has been made for zoning factor.	No adjustment has been made for zoning factor as both of the Subject Property and this Comparable are located within an area zoned for "Hill Land".	The zoning of this Comparable is superior than the Subject Property, hence an downward adjustment has been made for zoning factor.
<b>Adjusted Value</b>	<b>RM68.00 per sq. ft.</b>	<b>RM70.40 per sq. ft.</b>	<b>RM67.50 per sq. ft.</b>

**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****Justification :-**

Post adjustments have been made to the Comparables after taking into consideration of the positive and negative factors of market condition (time), size (land area), location, terrain and zoning. From these Comparables, we have concluded that Comparable No. 1 would be a reasonable benchmark due to the fact that this Comparable is the most recent transaction with lesser adjustment has been made in the valuation computation and is similar in nature in terms of terrain being hilly and both the Subject Property and this Comparable are located along the main road. Having considered the above, we have adopted RM70.00 per sq. ft. (rounded up from RM68.00 per sq. ft.) to be the fair market rate for Subject Property.

**Summary of Comparison Approach:-**

Market Value of Subject Property		
653,369 sq. ft. X <b>RM70 per sq. ft.</b> = RM45,735,830	Says	<b>RM45,700,000</b>

**REGISTERED TRANSACTION / TRANSACTION HISTORY**

Based on the endorsements stated in the land title and / or records of transfer which are submitted to Valuation & Property Services Department (*Jabatan Pernilaian dan Perkhidmatan Harta*) in the adjudication process of a transaction, we noted that there is no record of any transfer involving the Subject Property within the past 2 years from the date of this valuation.

**COVID-19 PANDEMIC AND ITS IMPACT ON MARKET VALUE**

Malaysia has reopened its border to international visitors starting from 1<sup>st</sup> April 2022, allowing fully vaccinated travellers and certain other groups of travellers to enter the country without quarantine. Reopening the country border is part of the national move to transition into the Endemic Phase.

With market sentiments having returned with some confidence especially in the business sector after the successful National Covid-19 Immunisation Programme, the performance for Penang's property market in 2022 is anticipated to be healthy and positive.

In accordance with the Annual Property Market Report (2021) published by National Property Information Centre, the performance of the property market in Pulau Pinang shows a recovery in 2021 driven by growth in market activity. The residential property continued to be the most actively transacted sub-sector of the total transaction and has recorded highest volume and value of transaction in the past 5 years.

In view of the above, we are of the opinion that the performance of residential market would still be driven by local demand whilst the recovery of the office, retail and industrial sub-sectors would be led by sustainable positive developments in the economy. With the recent Government's policies and incentives inclined towards the residential sub-sector, it will remain as the main sector to revive the property market.

Therefore, we are of the opinion that the COVID-19 pandemic would not have much negative impact towards the value of the Subject Property. However, given the unknown future impact that COVID-19 might have on the property market, we recommend that the valuation of the Subject Property be reviewed frequently.



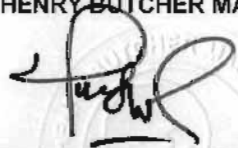
**VALUATION CERTIFICATE ON THE SUBJECT LAND (cont'd)****OPINION OF VALUE**

The Market Value arrived at by using the Comparison Approach is as follows:-

Method Of Valuation	Market Value	
Comparison Approach	RM45,700,000	(Ringgit Malaysia Forty Five Million And Seven Hundred Thousand Only)

Having regard to the foregoing, our opinion of the **Market Value** of the full share freehold interest of the **Subject Property** identified as Lot No. 7685 held under Title No. Geran 59034, Mukim 13, District of Timor Laut, State of Pulau Pinang as at 30<sup>th</sup> May 2022 **ON AN "AS IS" BASIS, WITH VACANT POSSESSION AND SUBJECT TO THE TITLE BEING GOOD, REGISTRABLE, MARKETABLE, FREE FROM ALL ENCUMBRANCES, ENDORSEMENTS, STATUTORY NOTICES AND OUTGOINGS** is **RM45,700,000** (Ringgit Malaysia Forty Five Million And Seven Hundred Thousand Only).

Yours faithfully,  
HENRY BUTCHER MALAYSIA (PENANG) SDN BHD



SR. DR. TEOH POH HUAT (V-296)  
FRICS, FRISM  
Chartered Surveyor / Registered Valuer  
Designation: Director  
Registration Number: V-296

**LETTER OF OPINION BY BYG**

BYG ARCHITECTURE SDN. BHD.  
Co. No. 410508-H  
SST No. P11-1808-38016904

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**01 MAR 2024**

Iconic Worldwide Bhd  
1-2, Jalan Icon City, Bukit Mertajam  
14000 Penang

Dear Sir,

**Proposed Housing Development on Lot 7685, Mukim 13, North East District Penang  
For  
M/s Iconic Worldwide Bhd**

Reference is made to the abovementioned

- A) Terms of reference
- |  |                                  |
|--|----------------------------------|
| 1) Land area   | : 6.07 ha                        |
| 2) Land Title  | : 1 <sup>st</sup> Grade          |
| 3) Accessibility   | : via Jalan Paya Terubong        |
| 4) Relevant References in State Structure Plan 2023 ("State Structure Plan") |                                  |
| a. Penang State Structure Main Diagram                                       | : Forest Zone                    |
| b. Penang Environmentally Sensitive Area Diagram                             | : Hill Land above 76 m elevation |

The Subject Land has 2 classifications in the State Structure Plan which was gazetted on October 24, 2019 by the State of Penang.

In the document under the Penang State Structure Main Diagram, it is zoned as Forest Land whilst in the Penang Environmentally Sensitive Area Diagram it is designated as Hill Land.

In Addition, prior to the gazette of the State Structure Plan, zoning of land in the Penang Island was dictated by Policy Plan (previously known as Interim Zoning Plan). It is hereby clarified that the classification of Hill Land under the Interim Zoning Plan is now effectively classified as Forest Land under the Penang State Structure Main Diagram of the newly gazetted State Structure Plan. Consequently, the zoning of the Subject Land under the Interim Zoning Plan which was then classified as Hill Land is now zoned as Forest Land under the Penang State Structure Main Diagram.

B) The following is a summary of our appraisal of the Subject Land

**Development Potential**

- 1) Under the provision of the State Structure Plan, the Subject Land is zoned as Forest Land under the Penang State Structure Main Diagram and designated as Hill Land under the Penang Environmentally Sensitive Area Diagram. Under such provisions, the property in itself cannot be developed.
- 2) However, the Subject Land may be developed for residential purpose subject to change of the prescribed zoning followed by subsequent approvals of Planning and Building;

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APAM

**LETTER OF OPINION BY BYG (cont'd)**

- 3) The application for change of the activities and classification prescribed in the State Structure Plan must comply with the National Land Code and must be lodged with the Plan Malaysia Pulau Pinang. The proposed development of the Subject Land shall be compatible with the established structural/ local plan of the locality. The application will typically takes up to 9 months.

The detailed breakdown of the Rezoning process as follows:

Application to Plan Malaysia Pulau Pinang	Circulation to Technical Departments by Plan Malaysia Pulau Pinang	Penang State Planning Committee Technical Meeting	Penang State Planning Committee Meeting	Approval
<p>Submission of rezoning application, which typically includes a detailed description of the proposed change, reasons for the rezoning, type of development, layout plan and any required supporting documents, such as development proposal report (Laporan Cadangan Pemajuan, LCP).</p>	<p>The submitted rezoning application will be reviewed by the Technical Department and other relevant government agencies. They will assess the proposal's compatibility with the surrounding area, adherence to the comprehensive land use plan, potential environmental impacts, traffic considerations, and community feedback.</p>	<p>Meeting with the Penang State Planning Committee to address any technical concerns of the Penang State Planning Committee.</p>	<p>Meeting with the Penang State Planning Committee to address any outstanding concerns pursuant to the technical meeting of the Penang State Planning Committee and consider all aspects of the application prior to making decision.</p>	<p>Final decision will be made on the rezoning request after taking into consideration the recommendation from the technical department and all other relevant factors. After obtaining the rezoning approval, the developer may submit for Planning Application &amp; Building Plan Application.</p>
<p><u>Required info:</u> Type of Development, Proposed Development, Layout Plan</p>	<p><u>Technical department:</u> ADUN office, JKR, JPS, Land Office, PTG, Planning Dept, Building Dept, Engineering Dept, Agriculture Dept, Forest Dept &amp; Mineral &amp; Geoscience Dept</p>			

Timeline				
1 month	4 months	2 months	1 month	1 month

**LETTER OF OPINION BY BYG (cont'd)****Note:****Development Proposal**

Development Proposal Report or 'Laporan Cadangan Pemajuan' is required to be prepared in accordance with the provisions of section 21A, Town and Country Planning Act (Amendment) 1995, which must be submitted together with a layout plan of the development. It presents the fundamentals of planning, rationale and justification that would strengthen the suitability of development proposals. It also accommodates consideration of the submission for approval by the Government Authorities.

- 4) The following are the precedented approvals for rezoning applications at sites adjacent to the Subject Land;
- Green Garden : 26 Storey Low Medium Cost Housing
  - Eco Terrace : 33 Storey Luxury Condominium
  - Taman Paya Terubong : 16 Storey Apartment
  - Suria Vista Apartment : 16 Storey Apartment
  - Majestic Heights : 23 Storey Low Medium Cost Apartment
- 5) The change of use of land use zone of Forest and Environmentally sensitive area of Hill Land of the Subject Land may be supported under the following conditions;
- Signs and indications of similar evolving land use of properties adjacent to Subject Land
  - Payment of rezoning premium to the state based on 37.5% of enhanced value of the Subject Land
  - Availability of access to the Subject Land

Such conditions for the Subject Land can be supported by:

- its location which is sited adjacent to a residential development known as Green Garden as well as other development stated in section (4) above; and
- its location which is located within a short distance to the recently-completed Malaysia's highest elevated highway known as Bukit Kukus Paired Road. This section of Bukit Kukus Paired Road, connects Paya Terubong to Relau, having a length of approximately 3.825 kilometres.

The factors that could result in non-approval of the rezoning application include, but not limited to the following:

**(a) Negative Impact on surrounding properties**

If the proposed rezoning could negatively impact the character, property values or quality of life of the neighbouring properties, the application may be rejected.

**(b) Zoning consistency**

Rezoning decisions often aim to maintain a consistent and coherent pattern of land uses and zoning designations within an area. If the proposed rezoning does not fit within the existing zoning context, it might be rejected to prevent incompatible developments from disrupting the neighbourhood's functionality.

**(c) Legal and technical compliance**

Rezoning application must adhere to legal and procedural requirements and zoning control. If an application fails to meet these criteria, it could be rejected on technical grounds. It is essential to ensure that the application fulfils all legal procedures to avoid the risk of non-approval.

**LETTER OF OPINION BY BYG (cont'd)****(d) Height and density considerations**

Land designated as 'Hill land' may have restrictions on building height and density to minimize their impact on the surrounding environment. If the rezoning application seeks to exceed the maximum limit for building heights and residential densities, the rezoning application may be rejected due to safety concerns.

**(e) Slope stability and geotechnical concerns**

Land designated as 'Hill land' are often prone to issues like erosion, landslides and soil instability. If a rezoning application is unable to ensure the safety and stability of the development, the application could be rejected.

**Planning Permission**

Planning permission must be obtained from the Local Authority (LA) before a development can be established. Application for planning permission is to be in such form containing such particulars and accompanied by documents and plans prescribed by the local authority.

If the development proposal is in compliance to all terms and conditions imposed to the development, chances of approval of the development is likely.

The following are other possibilities of non-approval of the development subsequent to rezoning;

- **Public objections or neighbouring objections lot owners leading to litigations and judgment against the development**

Public objections occur when the general public express reservations, complaints or opposition to a proposed development project. These objections can due to a variety of reasons, including concerns on the environmental impact, increased traffic and pollutions.

There will be likelihood of neighbouring objections involving residents and owners of properties adjacent to or in close proximity to the proposed development site. These objections often focus on potential negative impacts toward their property values, quality of life, privacy and other areas impacting the neighbourhood. Neighbouring objections can also be related to concerns about overshadowing, loss of views and increased congestion. Residents and property owners who feel that their interests are being adversely affected may oppose the development project through legal avenues.

- **Non-compliance of technical requirement in the rezoning application**

Non-compliance of technical requirement in the rezoning application include impacts to general public health, safety and welfare issues such as traffic safety concerns, social issue such as neighbourhood compatibility, burdens on infrastructure, impact on the local environmental, encroaching on sensitive areas and illegal use of land could result in non-approval of the rezoning application.

- **Land subjected to acquisition for public infrastructure**

Public infrastructure projects, such as highways, utilities and public facilities sometimes require the acquisition of private land by the Malaysian's government. In such case, the Malaysian government has the authority to acquire private land for public use while just providing compensation to the land owners.

**LETTER OF OPINION BY BYG (cont'd)****Past References of similar approvals obtained by BYG Architecture Sdn Bhd ("BYG")**

This section highlights the precedents of similar projects undertaken by BYG that has been approved by the Penang State Planning Committee.

Even though the current Forest Land zoning differ from the zoning indicated in the precedent case No. 1 and No. 2 below, the said comparison cases were all based on land known as Hill Land under the Interim Zoning Plan which was effective prior to the gazette of State Structure Plan. It is now effectively classified as Forest Land under the Penang State Structure Main Diagram of the newly gazetted State Structure Plan. As such, the transition in the zoning classification allows the use of the precedent case No.1 and No. 2 as comparative subject in line with the new zoning classification.

Therefore, despite the Subject Land's current zoning as Forest Land under the Penang State Structure Main Diagram, the precedent case No. 1 and No. 2 still offer valid insights into the rezoning process as well as the rezoning approval and continues to be a relevant references for our case.

As for the rezoning of Agriculture Land in the precedent case No. 3 to Residential Zone, the required steps and processes remain the same regardless of the initial zoning. The said land is located within close proximity to Forest Land which serves as a close reference for our case and offers important insight into the rezoning process and approval.

Nos.		Developer	Timeframe
1	<u>SPC approved on 27/1/2012</u> Rezoned from Hill Land to Residential Zone  Lot 20288, 20289, 20290), Mukim 10, Daerah Barat Daya, Changkat Sungai Ara 6, Pulau Pinang.	Kewira Jaya Sdn Bhd (Setia Green)	6 months
2	<u>SPC approved on 14/3/2019</u> Rezoned from Hill Land to Residential Zone (Affordable Housing)  Lot 5572 Dan 486, Lebuhraya Paya Terubong 4, Mukim 14, Daerah Timur Laut, Pulau Pinang.	Yuan Seng Building Trading	5 months
3	<u>SPC APPROVED ON 21/5/2020</u> Rezoned from Agriculture Land to Residential Zone (Affordable Housing)  Lot 20004 & 20030, Lintang Bukit Penara 10, Mukim 5, Balik Pulau, Daerah Barat Daya, Pulau Pinang.	Emico Properties Sdn Bhd	5 months

Therein said, please be cautioned that the rezoning approval is still subject to the concurrence and endorsement of the Penang State Planning Committee chaired by the Chief Minister of the State.

## 6) Conclusion

We note that the rezoning application is subjected to the risks mentioned above, however we are of the opinion that the success rate may possibly outweigh the risks after taking into consideration that rezoning of the Subject Land, if undertaken would be supported by the factors stipulated above which had been precedented in some cases with similar circumstances. While the risks are considerable in this case, the application is still in equally good standing to obtain approval from the Penang State Planning Committee. Furthermore, the company will endeavor to comply with the submission requirements so that the chances of non-approval of the rezoning application would be remote.

**LETTER OF OPINION BY BYG (cont'd)**

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Yours faithfully,



Ar. TPr. Michael Ong Chin Keang  
Vice President  
BYG Group Sdn Bhd