

LANDMARKS

LANDMARKS BERHAD

(185202-H)

(Incorporated in Malaysia)

Unaudited Interim Financial Report

For The Fourth Quarter Ended

31 December 2014

LANDMARKS

LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Note	31-Dec-2014 RM' 000 (Unaudited)	31-Dec-2013 RM' 000 (Audited)
ASSETS			
Property, plant and equipment	A11	1,328,100	551,685
Intangible asset	A12	386	575
Property development costs		785,523	1,527,540
Investments in associates		57,407	54,880
Other investments		1,040	1,040
Deferred tax assets		1,631	421
Total Non-Current Assets		2,174,087	2,136,141
Inventories		483	424
Property development costs		69,852	76,254
Receivables, deposits and prepayments		8,881	8,349
Current tax assets		352	297
Other investments		13,951	23,762
Cash and cash equivalents		83,558	115,404
Total Current Assets		177,077	224,490
TOTAL ASSETS		2,351,164	2,360,631
EQUITY			
Share capital		480,810	480,810
Reserves		218,893	218,741
Retained earnings		1,069,534	1,074,806
Total equity attributable to owners of the Company		1,769,237	1,774,357
Non-controlling interest		1,224	1
Total Equity		1,770,461	1,774,358
LIABILITIES			
Loans and borrowings	B8	79,840	88,528
Deferred tax liabilities		468,794	468,156
Total Non-Current Liabilities		548,634	556,684
Payables and accruals		21,121	22,671
Loans and borrowings	B8	9,598	4,941
Current tax liabilities		1,350	1,977
Total Current Liabilities		32,069	29,589
Total Liabilities		580,703	586,273
TOTAL EQUITY & LIABILITIES		2,351,164	2,360,631
Net Assets Per Share (RM)		3.68	3.69

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2014

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 months ended		12 months ended	
		31 December		31 December	
		2014	2013	2014	2013
		RM'000	RM'000	RM'000	RM'000
Revenue		<u>12,499</u>	<u>10,732</u>	<u>53,601</u>	<u>39,704</u>
Profit / (loss) from operations		1,038	(4,052)	(11,423)	(13,163)
Finance costs		(1,336)	(1,459)	(5,011)	(4,090)
Finance income		302	431	1,292	1,550
Operating profit / (loss)		4	(5,080)	(15,142)	(15,703)
Share of net profit of associates	B1	5,990	6,814	8,728	9,483
Profit / (loss) before taxation		5,994	1,734	(6,414)	(6,220)
Income tax expense	B5	2,200	934	1,100	1,449
Profit / (loss) for the period		8,194	2,668	(5,314)	(4,771)
Other comprehensive (expense) / income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(1,065)	(722)	(753)	558
Other comprehensive (expense) / income for the period, net of tax		(1,065)	(722)	(753)	558
Total comprehensive income / (expense) for the period		7,129	1,946	(6,067)	(4,213)
Profit / (loss) attributable to:					
Owners of the Company		8,194	2,668	(5,314)	(4,771)
Non-controlling interest		-	-	-	-
Profit / (loss) for the period		8,194	2,668	(5,314)	(4,771)
Total comprehensive income / (expense) attributable to:					
Owners of the Company		7,129	1,946	(6,067)	(4,213)
Non-controlling interest		-	-	-	-
Total comprehensive income / (expense) for the period		7,129	1,946	(6,067)	(4,213)

Earnings per share attributable to owners of the Company (sen)

Profit / (loss) for the period					
-Basic		1.70	0.55	(1.11)	(0.99)
-Diluted		1.70	0.55	(1.11)	(0.99)

The unaudited condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2014

<-----Attributable to owners of the Company----->

<----- Non-distributable -----> *Distributable*

	Share Capital RM'000	Translation Reserve RM'000	Fair Value Reserve RM'000	Share Premium RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
At 1 January 2013	480,810	(1,957)	415	218,272	1,678	1,079,352	1,778,570	1	1,778,571
Foreign currency translation differences for foreign operations	-	558	-	-	-	-	558	-	558
Total other comprehensive income for the period	-	558	-	-	-	-	558	-	558
Loss for the period	-	-	-	-	-	(4,771)	(4,771)	-	(4,771)
Total comprehensive income / (expense) for the period	-	558	-	-	-	(4,771)	(4,213)	-	(4,213)
Share options forfeited	-	-	-	-	(225)	225	-	-	-
Total contribution from owners	-	-	-	-	(225)	225	-	-	-
At 31 December 2013	480,810	(1,399)	415	218,272	1,453	1,074,806	1,774,357	1	1,774,358
At 1 January 2014	480,810	(1,399)	415	218,272	1,453	1,074,806	1,774,357	1	1,774,358
Foreign currency translation differences for foreign operations	-	(753)	-	-	-	-	(753)	-	(753)
Total other comprehensive expense for the period	-	(753)	-	-	-	-	(753)	-	(753)
Loss for the period	-	-	-	-	-	(5,314)	(5,314)	-	(5,314)
Total comprehensive expense for the period	-	(753)	-	-	-	(5,314)	(6,067)	-	(6,067)
Share options forfeited	-	-	-	-	(42)	42	-	-	-
Share -based payment transactions	-	-	-	-	947	-	947	-	947
Total contribution from owners	-	-	-	-	905	42	947	-	947
Acquisition of a subsidiary	-	-	-	-	-	-	-	1,223	1,223
At 31 December 2014	480,810	(2,152)	415	218,272	2,358	1,069,534	1,769,237	1,224	1,770,461

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENTS

FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2014

	31-Dec-2014 RM'000	31-Dec-2013 RM'000
Cash flows from operating activities		
Loss before taxation	(6,414)	(6,220)
Adjustments for non-cash flow		
Amortisation of intangible asset	189	178
Depreciation of property, plant and equipment	8,498	7,232
Finance costs	5,011	4,090
Finance income	(1,292)	(1,550)
Gain on disposal of property, plant and equipment	(26)	(25)
Dividend income from other investments	(265)	(217)
Gain on redemption of other investments	(61)	-
Property, plant and equipment written off	(384)	-
Share of profit of an equity accounted associate, net of tax	(8,728)	(9,483)
Fair value gain in other investments	-	(275)
Equity settled share-based payment transactions	947	-
Operating loss before changes in working capital	(2,525)	(6,270)
Changes in working capital		
Inventories	(59)	(17)
Trade and other receivables and prepayments	369	(2,488)
Trade payables and others payables	(2,953)	10,736
Property development costs	(23,881)	(44,469)
Cash used in operations	(29,049)	(42,508)
Income tax paid	(152)	(308)
Income tax refunded	-	1,062
Net cash used in operating activities	(29,201)	(41,754)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(11,299)	(18,523)
Acquisition of intangible asset	-	(139)
Proceeds from disposal of property, plant and equipment	32	25
Proceeds from disposal of investment fund	10,376	-
Acquisition of other investments	-	(11,026)
Acquisition of additional shares from non- controlling interest	1,223	-
Increase in pledged deposits placed with licensed banks	(109)	(1,094)
Interest received	1,292	1,550
Gain on redemption of other investments	61	-
Dividend received from :		
- an associate	5,000	3,000
- from other investments	265	217
Net cash generated from/(used in) investing activities	6,841	(25,990)
Cash flows from financing activities		
Proceeds from bank borrowings	499	-
Interest paid	(5,011)	(4,090)
Repayment of finance lease liabilities	(83)	(65)
(Repayment of) / proceeds from loans and borrowings	(5,000)	26,842
Net cash (used in) / generated from financing activities	(9,595)	22,687
Net decrease in cash and cash equivalents	(31,955)	(45,057)
Cash and cash equivalents at 1 January	112,104	157,161
Cash and cash equivalents at 31 December	80,149	112,104
	31-Dec-2014 RM'000	31-Dec-2013 RM'000
Cash and bank balances	16,968	18,243
Deposits with licensed banks	66,590	97,161
	83,558	115,404
Less : Deposits pledged	(3,409)	(3,300)
	80,149	112,104

The unaudited condensed consolidated cash flows statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS BERHAD (“LANDMARKS” OR “THE COMPANY”)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2014

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MFRS 134, INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, *Interim Financial Reporting* issued by Malaysian Accounting Standards Board and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements. This Condensed Report also complies with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

A2. Changes in Accounting Policies/Estimates

The audited financial statements of the Group for the year ended 31 December 2013 were prepared in accordance with MFRS. All significant accounting policies adopted in preparing this interim financial report are consistent with those of the audited financial statements for the year ended 31 December 2013 except for the new or revised MFRS and amendments to MFRS that are relevant and effective for annual periods beginning on or after 1 January 2014 as disclosed below:-

- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*
- Amendments to MFRS 132, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 136, *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*
- Amendments to MFRS 139, *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
- IC Interpretation 21, *Levies*

A2. Changes in Accounting Policies/Estimates (continued)

The following MFRS and IC Interpretations have been issued by the MASB and are not yet effective and have not been applied by the Group:

Effective for annual periods commencing on or after 1 July 2014

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*
- Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 140, *Investment Properties (Annual Improvements 2011-2013 Cycle)*

Effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MFRS 134, INTERIM FINANCIAL REPORTING

Effective for annual periods beginning on or after 1 January 2016 (continued)

- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

Effective for annual periods beginning on or after 1 January 2017

- MFRS 15, *Revenue from Contracts with Customers*

Effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*

The initial application of the Standards, amendments and interpretations are not expected to have any material financial impact to the financial statements of the current and prior periods upon their first adoption.

A3. *Changes in estimates*

There were no changes in estimates during the quarter under review that had a material effect on the interim financial statements.

A4. *Auditors' Report on the Group's latest Annual Financial Statements*

There were no audit qualifications on the Group's financial statements for the year ended 31 December 2013.

A5. *Exceptional items of a non-recurring nature*

There were no exceptional items of a non-recurring nature during the financial period under review.

A6. *Inventories*

During the financial period under review, there was no write-down of inventories.

A7. *Changes in composition of the Group*

There were no changes in the composition of the Group arising from business combination, acquisition or disposal of subsidiary companies and long-term investment, restructuring, or discontinued operations for the current interim period.

A8. *Dividends paid*

There were no dividends paid during the financial period under review.

A9. *Seasonal or cyclical factors*

The Group's hotel business is generally affected by seasonal or cyclical factors. The high season for the Group's hotel generally lies in the first and last quarters of the financial year.

**PART A – EXPLANATORY NOTES IN COMPLIANCE WITH MFRS 134, INTERIM
FINANCIAL REPORTING**

A10. Operating segments

The Group's operations comprise the following main business segments:

Hospitality and Wellness	Provision of hotel management and wellness services
Resort and Destination Development	Development of resorts and properties

12 months ended 31 December	Hospitality and Wellness		Resort and Destination Development		Others		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	53,601	39,704	-	-	-	-	53,601	39,704
Profit / (loss) from operations	8,722	1,061	(13,535)	(12,149)	(6,610)	(2,075)	(11,423)	(13,163)
Finance costs	(4,988)	(4,090)	(23)	-	-	-	(5,011)	(4,090)
Finance income	245	128	120	11	927	1,411	1,292	1,550
	3,979	(2,901)	(13,438)	(12,138)	(5,683)	(664)	(15,142)	(15,703)
Included in the measure of segments results from operating activities are:								
- Depreciation and amortisation	(6,572)	(5,920)	(1,995)	(1,361)	(120)	(129)	(8,687)	(7,410)
- Foreign exchange gain	-	-	3,325	2,505	508	3,625	3,833	6,130
- (Recognised)/reversal of impairment loss on trade receivables	(11)	231	-	-	-	-	(11)	231
Segment assets	168,722	171,057	2,079,955	2,015,520	102,487	174,054	2,351,164	2,360,631

There have been no changes in the basis of segmentation or in the basis of measurement of segment profit and loss from the last annual financial statements.

A11. Property, plant and equipment

There were no amendments to the valuation of property, plant and equipment brought forward.

A12. Intangible asset

There was no additional purchase of intangible asset for the financial period ended 31 December 2014.

A13. Non-current assets and non-current liabilities classified as held for sale

There were no non-current assets and non-current liabilities classified as held for sale.

A14. Issuances, repayments of debt and equity securities

On 27 August 2014, options were granted to directors and employees of the Group to subscribe for 5,145,000 shares under the Landmarks Employees' Share Option Scheme. The option gives the holder the right to subscribe for ordinary shares of RM1.00 each in the Company for an exercise price of RM1.44 each per share. These options are exercisable until January 2018 and will vest in the following manner.

<u>Period</u>	<u>% of Options</u>
Immediately after acceptance of offer	40
2 January 2015 – 1 January 2016	20
2 January 2016 – 1 January 2017	20
2 January 2017 – 1 January 2018	20

No option was exercised during the financial period under review.

There were no issuance or repayment of debt, share buy back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 31 December 2014.

A15. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the financial period under review that have not been reflected in the financial statements as at the date of this report.

A16. Contingent liabilities and contingent assets

As at 31 December 2014, there were no material contingent assets, which upon being enforced might have a material impact on the financial position or business of the Group. As at the date of this report, the Company has contingent liabilities as follows:-

	31 December 2014 RM'000
Corporate guarantees granted for banking facilities of a subsidiary (note B8)	<u>89,082</u>

A17. Capital and commitments

	31 December 2014 RM'000
Authorised but not contracted for	25,532
Contracted but not provided for	21,927
Total	<u>47,459</u>

A18. Related party transactions

There are no material related party transactions for the financial period under review.

A19. Financial risk management

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2013.

B1. Review of performance for Twelve Months to 31 December 2014 compared to Twelve Months to 31 December 2013

For the financial period ended 31 December 2014, the Group's revenue increased significantly by 35% from RM39.7 million in the corresponding period in 2013 to RM53.6 million. The Group registered a net loss of RM5.31 million for the twelve-month period of 2014 compared with a net loss of RM4.77 million in the previous year.

The increase in revenue was attributed to the performance of The Andaman which has recorded strong growth in operating results by RM13.90 million for the twelve-month period ended 31 December 2014 compared with RM39.7 million in the previous year. Hotel occupancy and average room rate have increased by 21% and 17% respectively compared with the corresponding period in 2013. This was mainly boosted by the newly renovated rooms and new food and beverage offerings at the hotel.

The Resort and Destination Development Division has recorded higher operating loss of RM13.54 million for the twelve-month period ended 31 December 2014 compared with operating loss of RM12.14 million in the previous year. The higher net loss was attributed mainly to the continued constructions works for infrastructure and the Crystal Lagoon in Phase 1, Treasure Bay, Pesona Lagoi Bintan which are ongoing and have yet to make any positive financial contribution during the financial period under review.

Associated companies

The Group's investment in the associate, MSL Properties Sdn. Bhd. ("MSL"), recorded a lower share of net profit amounting to RM8.73 million for the twelve-month period ended 31 December 2014 compared with RM9.48 million in the corresponding period of 2013.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B2. Comments on performance in the current quarter against preceding quarter

	2014	2014
	4th Qtr	3rd Qtr
	RM'000	RM'000
Revenue	<u>12,499</u>	<u>11,804</u>
Profit / (loss) from operations	1,038	(6,962)
Finance costs	(1,336)	(989)
Finance income	<u>302</u>	<u>418</u>
Operating profit /(loss)	4	(7,533)
Share of net profit /(loss) of associate	<u>5,990</u>	<u>(486)</u>
Profit / (loss) before tax	<u>5,994</u>	<u>(8,019)</u>

For the quarter under review, the Group's revenue increased by 5.89% to RM12.50 million compared with the previous quarter's of RM11.8 million. The newly refurbished rooms and new food and beverage offerings has managed to bring up the average room rate by 7.7% and Revpar of 4.1% compared with the previous quarter. The higher contribution from the hospitality and wellness businesses was due to the high season which is generally in the last quarter of the year.

The Group recorded a profit before tax of RM6.00 million compared with loss before tax of RM8.02 million in the previous quarter mainly due to higher operating profit recorded by MSL and lower operating loss from the Resort and Destination Development Division in the current quarter.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B3. Prospects

The Andaman has contributed positively to the Group with an updated and refreshed resort. The Board expects Starwood to continue to bring up the room rates and occupancy levels to enhance its performance in the coming years.

The Chill Cove at Treasure Bay Bintan is targeted for soft opening in second quarter 2015 when the Crystal Lagoon will be completed. The Canopi and leisure offerings around the Crystal Lagoon will simultaneously be opened to the public then. Treasure Bay Bintan will introduce various fun and leisure activities capitalising on the Crystal Lagoon including retail, and food and beverage outlets at the Chill Cove. With this and the more recent efforts by the office of the Chief Minister (Bupati) of Bintan to improve the marketing of Bintan as a tourism destination, the Board is optimistic that Treasure Bay Bintan will begin to generate results for the Group in 2015.

The Board is mindful that recent economic events, such as the slump in the price of crude oil and the Eurozone crisis could have a dampening effect on the growth of tourism in the region. Notwithstanding that, the Board is cautiously optimistic that the Group's unique products and offerings in the health and wellness sector will differentiate itself to enhance its future performance and growth.

B4. Profit forecast

Not applicable as no profit forecast was announced or disclosed.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B5. *Income Tax expense*

	Current period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysia income tax charge	(576)	(650)	(529)	(650)
Deferred Taxation	(1,624)	(284)	(571)	(799)
Taxation overprovision	(2,200)	(934)	(1,100)	(1,449)

Tax expense is recognised based on management's best estimate of the weighted average annual tax rate expected for the full financial year applied to the pre-tax income of the interim period.

The Group's consolidated effective tax rate for the twelve-month period ended 31 December 2014 was lower than the Malaysia statutory tax rate of 25% due to tax incentive given to certain subsidiary and the reversal of over provision of deferred tax in current quarter.

B6. *Status of corporate proposals announced*

There are no corporate proposals announced at the date of this quarterly report.

B7. *Changes in material litigation*

There is no material litigation pending at the date of this report.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B8. *Loans and borrowings*

The Group's borrowings, all of which are secured, are as follows:

	As at 31 December 2014 RM'000	As at 31 December 2013 RM'000
Short term borrowings		
Secured	9,598	4,941
Long term borrowings		
Secured	79,840	88,528
Total borrowings	89,438	93,469

The term loan of RM89.08 million for a subsidiary was secured by a corporate guarantee from Landmarks Berhad.

B9. *Derivative financial instruments*

There are no derivative financial instruments as at the date of this quarterly report.

B10. *Fair value changes of financial liabilities*

The Group does not have any financial liabilities that are measured at fair value through profit and loss as at the date of this quarterly report.

B11. *Dividends*

The Board of Directors does not recommend the payment of any dividend for the financial period ended 31 December 2014.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B12. Breakdown of Realised and Unrealised Profits

The following analysis of realised and unrealised retained profits is prepared pursuant to Paragraphs 2.06 and 2.23 of Bursa Securities Main Market Listing Requirements and in accordance with the Guidance on Special Matter No. 1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Securities and is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

	Group 31 December 2014 RM'000	Group 31 December 2013 RM'000
Total retained earnings of Landmarks Berhad and its subsidiaries :		
- Realised	(51,435)	(33,739)
- Unrealised	(2,251)	(6,084)
	<u>(53,686)</u>	<u>(39,823)</u>
Total share of retained earnings from an associate	50,140	41,412
Consolidation adjustments	1,073,080	1,073,217
Total retained earnings	<u>1,069,534</u>	<u>1,074,806</u>

The Group is unable to provide the Realised and Unrealised Profits Disclosure for the associated company, MSL, as the Group has no control over its financial and operating policies.

**PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES
UNDER PART A OF APPENDIX 9B**

B13. Basic earnings per share

Basic earnings per share was calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of issued and paid-up ordinary shares during the financial period.

	Individual period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2014	2013	2014	2013
a) Basic earnings per share				
Profit / (loss) attributable to equity owners of the Company (RM'000)	8,194	2,668	(5,314)	(4,771)
Weighted average number of ordinary shares ('000)	480,810	480,810	480,810	480,810
Basic earnings per share (sen) attributable to equity owners of the Company	1.70	0.55	(1.11)	(0.99)

Diluted earnings per share for the current financial period was calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of shares in issue during the financial period, adjusted to assume the conversion of all dilutive potential ordinary shares from share options granted to directors and employees under the Employees' Share Option Scheme ("ESOS").

	Individual period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2014	2013	2014	2013
b) Diluted earnings per share				
Profit / (loss) attributable to equity holders of the Company (RM'000)	8,194	2,668	(5,314)	(4,771)
Weighted average number of ordinary shares ('000)	480,810	480,810	480,810	480,810
Adjustment for dilutive effect of ESOS	-	-	-	-
Weighted average number of ordinary shares ('000)	480,810	480,810	480,810	480,810
Diluted earnings per share (sen) attributable to equity holders of the Company	1.70	0.55	(1.11)	(0.99)

By Order of The Board

IRENE LOW YUET CHUN
Company Secretary

Kuala Lumpur
25th February 2015
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