

# LANDMARKS

**LANDMARKS BERHAD**

**(185202-H)**

**( Incorporated in Malaysia )**

**Unaudited Interim Financial Report**

**For The First Quarter Ended**

**31 March 2015**

# LANDMARKS

LANDMARKS BERHAD (185202-H)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2015

	Note	31-Mar-2015 RM' 000 (Unaudited)	31-Dec-2014 RM' 000 (Audited)
<b>ASSETS</b>			
Property, plant and equipment	A11	1,326,936	1,328,100
Intangible asset	A12	338	386
Property development costs		787,997	787,997
Investments in associates		57,921	57,407
Other investments		1,040	1,040
Deferred tax assets		1,631	1,631
<b>Total Non-Current Assets</b>		<b>2,175,863</b>	<b>2,176,561</b>
Inventories		369	483
Property development costs		73,049	67,378
Receivables, deposits and prepayments		8,365	8,881
Current tax assets		498	352
Other investments		7,812	13,951
Cash and cash equivalents		84,022	83,558
<b>Total Current Assets</b>		<b>174,115</b>	<b>174,603</b>
<b>TOTAL ASSETS</b>		<b>2,349,978</b>	<b>2,351,164</b>
<b>EQUITY</b>			
Share capital		480,810	480,810
Reserves		221,235	218,893
Retained earnings		1,067,966	1,069,534
<b>Total equity attributable to owners of the Company</b>		<b>1,770,011</b>	<b>1,769,237</b>
<b>Non-controlling interests</b>		<b>1,373</b>	<b>1,224</b>
<b>Total Equity</b>		<b>1,771,384</b>	<b>1,770,461</b>
<b>LIABILITIES</b>			
Loans and borrowings	B8	79,855	79,855
Deferred tax liabilities		469,774	468,794
<b>Total Non-Current Liabilities</b>		<b>549,629</b>	<b>548,649</b>
Payables and accruals		17,564	21,121
Loans and borrowings	B8	9,583	9,583
Current tax liabilities		1,818	1,350
<b>Total Current Liabilities</b>		<b>28,965</b>	<b>32,054</b>
<b>Total Liabilities</b>		<b>578,594</b>	<b>580,703</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>2,349,978</b>	<b>2,351,164</b>
<b>Net Assets Per Share (RM)</b>		<b>3.68</b>	<b>3.68</b>

*The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.*

# LANDMARKS

LANDMARKS BERHAD (185202-H)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 months ended		3 months ended	
		31 March		31 March	
		2015	2014	2015	2014
		RM'000	RM'000	RM'000	RM'000
Revenue		<u>19,304</u>	<u>17,619</u>	<u>19,304</u>	<u>17,619</u>
<b>(Loss) / profit from operations</b>		<b>(175)</b>	<b>208</b>	<b>(175)</b>	<b>208</b>
Finance costs		<u>(1,192)</u>	<u>(1,227)</u>	<u>(1,192)</u>	<u>(1,227)</u>
Finance income		<u>416</u>	<u>409</u>	<u>416</u>	<u>409</u>
<b>Operating loss</b>		<b>(951)</b>	<b>(610)</b>	<b>(951)</b>	<b>(610)</b>
Share of net profit of associates	B1	<u>513</u>	<u>3,295</u>	<u>513</u>	<u>3,295</u>
<b>(Loss) / profit before taxation</b>		<b>(438)</b>	<b>2,685</b>	<b>(438)</b>	<b>2,685</b>
Income tax expense	B5	<u>(1,104)</u>	<u>(1,086)</u>	<u>(1,104)</u>	<u>(1,086)</u>
<b>(Loss) / profit for the period</b>		<b>(1,542)</b>	<b>1,599</b>	<b>(1,542)</b>	<b>1,599</b>
<b>Other comprehensive income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		<u>2,316</u>	<u>26</u>	<u>2,316</u>	<u>26</u>
<b>Other comprehensive income for the period, net of tax</b>		<b>2,316</b>	<b>26</b>	<b>2,316</b>	<b>26</b>
<b>Total comprehensive income for the period</b>		<b>774</b>	<b>1,625</b>	<b>774</b>	<b>1,625</b>
<b>(Loss) / profit attributable to:</b>					
Owners of the Company		<u>(1,542)</u>	<u>1,599</u>	<u>(1,542)</u>	<u>1,599</u>
Non-controlling interest		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>(Loss) / profit for the period</b>		<b>(1,542)</b>	<b>1,599</b>	<b>(1,542)</b>	<b>1,599</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<u>774</u>	<u>1,625</u>	<u>774</u>	<u>1,625</u>
Non-controlling interest		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<b>774</b>	<b>1,625</b>	<b>774</b>	<b>1,625</b>

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

(Loss) / profit for the period					
-Basic		<b>(0.32)</b>	0.33	<b>(0.32)</b>	0.33
-Diluted		<b>(0.32)</b>	0.33	<b>(0.32)</b>	0.33

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

# LANDMARKS

LANDMARKS BERHAD (185202-H)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015**

<-----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 Interests RM'000	Total Equity RM'000
<b>At 1 January 2014</b>	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	-	26	-	-	-	-	26	-	26
Total other comprehensive income for the period	-	26	-	-	-	-	26	-	26
Profit for the period	-	-	-	-	-	1,599	1,599	-	1,599
<b>Total comprehensive income for the period</b>	-	26	-	-	-	1,599	1,625	-	1,625
<b>At 31 March 2014</b>	480,810	(1,373)	415	218,272	1,453	1,076,405	1,775,982	1	1,775,983
<b>At 1 January 2015</b>	<b>480,810</b>	<b>(2,152)</b>	<b>415</b>	<b>218,272</b>	<b>2,358</b>	<b>1,069,534</b>	<b>1,769,237</b>	<b>1,224</b>	<b>1,770,461</b>
Foreign currency translation differences for foreign operations	-	2,316	-	-	-	-	2,316	-	2,316
Total other comprehensive income for the period	-	2,316	-	-	-	-	2,316	-	2,316
Loss for the period	-	-	-	-	-	(1,542)	(1,542)	-	(1,542)
<b>Total comprehensive income / (expense) for the period</b>	-	<b>2,316</b>	-	-	-	<b>(1,542)</b>	<b>774</b>	-	<b>774</b>
Share options forfeited	-	-	-	-	26	(26)	-	-	-
<b>Total contribution from owners</b>	-	-	-	-	26	(26)	-	-	-
Non- controlling interests	-	-	-	-	-	-	-	149	149
<b>At 31 March 2015</b>	<b>480,810</b>	<b>164</b>	<b>415</b>	<b>218,272</b>	<b>2,384</b>	<b>1,067,966</b>	<b>1,770,011</b>	<b>1,373</b>	<b>1,771,384</b>

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

# LANDMARKS

LANDMARKS BERHAD (185202-H)

## UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2015

	31-Mar-2015 RM'000	31-Mar-2014 RM'000
<b>Cash flows from operating activities</b>		
(Loss) / profit before taxation	(438)	2,685
Adjustments for non-cash flow		
Amortisation of intangible asset	48	47
Depreciation of property, plant and equipment	2,167	2,052
Finance costs	1,192	1,227
Finance income	(416)	(409)
Gain on disposal of a subsidiary	(5)	-
Dividend income from other investments	(65)	(64)
Share of profit of an equity accounted associate, net of tax	(513)	(3,295)
<b>Operating profit before changes in working capital</b>	<b>1,970</b>	<b>2,243</b>
Changes in working capital		
Inventories	114	3
Trade and other receivables and prepayments	2,696	2,181
Trade payables and others payables	(3,620)	(6,931)
Property development costs	(5,671)	(5,871)
Cash used in operations	(4,511)	(8,375)
Income tax paid	(11)	(49)
Income tax refunded	209	-
<b>Net cash used in operating activities</b>	<b>(4,313)</b>	<b>(8,424)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(827)	(5,342)
Proceeds from disposal of a subsidiary	5	-
Proceeds from disposal of investment fund	6,201	-
Acquisition of additional shares from non- controlling interest	149	-
Increase in pledged deposits placed with licensed banks	(17)	(61)
Interest received	416	409
Loss on redeemed of other investments	(15)	-
Dividend received from other investments	65	64
<b>Net cash generated from /(used in) investing activities</b>	<b>5,977</b>	<b>(4,930)</b>
<b>Cash flows from financing activities</b>		
Proceeds from bank borrowings	-	488
Interest paid	(1,192)	(1,227)
Repayment of finance lease liabilities	(25)	(16)
<b>Net cash used in from financing activities</b>	<b>(1,217)</b>	<b>(755)</b>
Net increase / (decrease) in cash and cash equivalents	447	(14,109)
Cash and cash equivalents at 1 January	80,149	112,104
<b>Cash and cash equivalents at 31 December</b>	<b>80,596</b>	<b>97,995</b>
	<b>31-Mar-2015 RM'000</b>	<b>31-Mar-2014 RM'000</b>
Cash and bank balances	31,771	17,214
Deposits with licensed banks	52,251	84,142
	84,022	101,356
Less : Deposits pledged	(3,426)	(3,361)
	<b>80,596</b>	<b>97,995</b>

The unaudited condensed consolidated cash flows statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014 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 MARCH 2015

#### **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 (“IA..SB”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

##### **A2. Changes in Accounting Policies/Estimates**

The audited financial statements of the Group for the year ended 31 December 2014 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 2014 except for the new or revised MFRS and amendments to MFRS that are relevant and effective for annual periods beginning on or after 1 July 2014 as set out below:-

- 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)*

**A2. *Changes in Accounting Policies/Estimates (continued)***

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014 (continued)***

- 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 Property (Annual Improvements 2011-2013 Cycle)*

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

***MFRSs, Interpretations and amendments 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*
- 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)*

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

**A2. *Changes in Accounting Policies/Estimates (continued)***

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (continued)***

- 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)*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017***

- MFRS 15, *Revenue from Contracts with Customers*

***MFRSs, Interpretations and amendments 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 implementation.



**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 2014.

**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 except as disclosed below:-

Landmarks Hotels & Realty Sdn Bhd ("LHR"), a wholly owned subsidiary of the Company had on 27 March 2015 completed the disposal of the entire 100% equity interest in Resorts Equities Sdn Bhd ("RESB") to Peremba Panorama Sdn Bhd ("PPSB") for a cash consideration of RM5,000.

**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

3 months ended 31 March	Hospitality and Wellness		Resort and Destination Development		Others		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	<b>19,304</b>	17,619	-	-	-	-	<b>19,304</b>	17,619
Profit / (loss) from operations	<b>5,400</b>	5,292	<b>(3,897)</b>	(3,776)	<b>(1,678)</b>	(1,308)	<b>(175)</b>	208
Finance costs	<b>(1,185)</b>	(1,225)	<b>(7)</b>	-	-	(2)	<b>(1,192)</b>	(1,227)
Finance income	<b>85</b>	56	<b>35</b>	20	<b>296</b>	333	<b>416</b>	409
	<b>4,300</b>	4,123	<b>(3,869)</b>	(3,756)	<b>(1,382)</b>	(977)	<b>(951)</b>	(610)
Included in the measure of segments results from operating activities are:								
- Depreciation and amortisation	<b>1,625</b>	1,628	<b>554</b>	442	<b>36</b>	29	<b>2,215</b>	2,099
- Foreign exchange (gain)/ loss	-	-	<b>(567)</b>	351	<b>(111)</b>	242	<b>(678)</b>	593
- Recognised of impairment loss on trade receivables	<b>6</b>	21	-	-	-	-	<b>6</b>	21
Segment assets	<b>171,872</b>	173,042	<b>2,078,122</b>	2,057,370	<b>99,984</b>	127,378	<b>2,349,978</b>	2,357,790

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 March 2015.

***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***

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 March 2015.

***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 March 2015, 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:-

	<b>31 March 2015</b> <b>RM'000</b>
Corporate guarantees granted for banking facilities of a subsidiary (note B8)	<u>89,326</u>

**A17. *Capital and commitments***

	<b>31 March 2015</b> <b>RM'000</b>
Authorised but not contracted for	29,094
Contracted but not provided for	16,697
<b>Total</b>	<b><u>45,791</u></b>

**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 2014.

***B1. Review of performance for Three Months to 31 March 2015 compared to Three Months to 31 March 2014.***

For the first three months to 31 March 2015, the Group's revenue increased by 9.53% from RM17.62 million in the corresponding period of 2014 to RM19.30 million in 2015. The Group registered a net loss of RM1.54 million for the three-month period ended 31 March 2015 compared with a net profit of RM1.60 million in the previous year.

The Andaman has recorded an increase in revenue of RM1.68 million for the first three months of 2015. Hotel average room rate has grown by 11.9% compared with the corresponding period in 2014. This was mainly boosted by the newly renovated rooms and food and beverage offerings at the hotel.

For the first three-month period ended 31 March 2015, the Resort and Destination Development Division recorded operating loss of RM3.90 million compared to RM3.78 million in the corresponding period of 2014. The higher net loss was attributed mainly to the continued construction works for infrastructure and the Crystal Lagoon in Phase 1 of Treasure Bay Bintan, 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 share of net profit amounting to RM0.51 million for the three-month period ended 31 March 2015 compared with RM3.30 million in the corresponding period of 2014.

**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**

	<b>2015</b>	2014
	<b>1st Qtr</b>	4th Qtr
	<b>RM'000</b>	RM'000
<b>Revenue</b>	<b><u>19,304</u></b>	<u>12,499</u>
<b>(Loss) / Profit from operations</b>	<b>(175)</b>	1,038
Finance costs	<b>(1,192)</b>	(1,336)
Finance income	<b><u>416</u></b>	<u>302</u>
<b>Operating (Loss) / Profit</b>	<b>(951)</b>	4
Share of net profit of associate	<b><u>513</u></b>	<u>5,990</u>
<b>(Loss) / Profit before tax</b>	<b><u>(438)</u></b>	<b><u>5,994</u></b>

For the first quarter of 2015, the Group's revenue has increased significantly by 54% to RM19.30 million compared with the previous quarter of RM12.50 million. Both occupancy and average room rate have increased by 22% and 21% respectively.

Despite higher contribution from the hospitality and wellness businesses, the Group recorded a loss before tax of RM0.44 million compared with profit before tax of RM5.99 million in the previous quarter mainly due to the higher operating loss from the Resort Destination Development Division and lower operating profit recorded from our associated company, MSL for the first three-month period ended 31 March 2015.

**B3. Prospects**

The Andaman has contributed positively to the Group. With updated and refreshed offerings at the resort, the Company expects the room rates and occupancy levels to continue to grow in the coming years.

The Chill Cove and The Canopi of Treasure Bay Bintan are expected to start generating income for the Group in 2015. These, together with more recent efforts by the office of the Chief Minister (Bupati) of Bintan to improve the marketing of Bintan as a tourism destination, bodes well for the Group and the Board is optimistic that Treasure Bay Bintan will begin to generate results for the Group in 2015.

The Board is cautiously optimistic on tourism in the region despite the challenging global economic conditions, and believes that the Group's unique products and offerings will differentiate itself to enhance its future performance and growth.

**B4. Profit forecast**

Not applicable as no profit forecast was announced or disclosed.

**B5. Income tax expense**

	<b>Current period</b>		<b>Cumulative period</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current taxation				
Malaysia income tax charge	<b>124</b>	14	<b>124</b>	14
Deferred Taxation	<b>980</b>	1,072	<b>980</b>	1,072
Taxation charge	<b>1,104</b>	1,086	<b>1,104</b>	1,086

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.

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

**B5. *Income tax expense (continued)***

The Group's consolidated effective tax rate for the three-month period ended 31 March 2015 was higher than the Malaysia statutory tax rate of 25%. This was mainly due to provision of deferred tax and the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purposes.

**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.

**B8. *Loans and borrowings***

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

	<b>As at 31 March 2015 RM'000</b>	<b>As at 31 December 2014 RM'000</b>
<b>Short term borrowings</b>		
Secured	9,583	9,583
<b>Long term borrowings</b>		
Secured	<u>79,855</u>	<u>79,855</u>
<b>Total borrowings</b>	<u><b>89,438</b></u>	<u><b>89,438</b></u>

The term loan of RM89.33 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.



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

**B11. Dividends**

The Board of Directors does not recommend the payment of any dividend for the financial period ended 31 March 2015.

**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.

	<b>Group 31 March 2015 RM'000</b>	<b>Group 31 December 2014 RM'000</b>
Total retained earnings of Landmarks Berhad and its subsidiaries :		
- Realised	(56,982)	(54,257)
- Unrealised	(2,421)	(3,099)
	<u>(59,403)</u>	<u>(57,356)</u>
Total share of retained earnings from an associate	49,127	48,614
Consolidation adjustments	1,078,242	1,078,276
	<u>1,067,966</u>	<u>1,069,534</u>
Total retained earnings		

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.

	<b>Individual period</b>		<b>Cumulative period</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>a) Basic earnings per share</b>				
(Loss)/Profit attributable to equity owners of the Company (RM'000)	<b>(1,542)</b>	1,599	<b>(1,542)</b>	1,599
Weighted average number of ordinary shares ('000)	<b>480,810</b>	480,810	<b>480,810</b>	480,810
Basic earnings per share (sen) attributable to equity owners of the Company	<b>(0.32)</b>	0.33	<b>(0.32)</b>	0.33

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").

	<b>Individual period</b>		<b>Cumulative period</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>b) Diluted earnings per share</b>				
(Loss)/Profit attributable to equity holders of the Company (RM'000)	<b>(1,542)</b>	1,599	<b>(1,542)</b>	1,599
Weighted average number of ordinary shares ('000)	<b>480,810</b>	480,810	<b>480,810</b>	480,810
Adjustment for dilutive effect of ESOS	-	-	-	-
Weighted average number of ordinary shares ('000)	<b>480,810</b>	480,810	<b>480,810</b>	480,810
Diluted earnings per share (sen) attributable to equity holders of the Company	<b>(0.32)</b>	0.33	<b>(0.32)</b>	0.33

**By Order of The Board**

**IRENE LOW YUET CHUN**  
**Company Secretary**

**Kuala Lumpur**  
**22<sup>nd</sup> May 2015**  
**[www.landmarks.com.my](http://www.landmarks.com.my)**