

LANDMARKS

LANDMARKS BERHAD

(185202-H)

(Incorporated in Malaysia)

**Unaudited Interim Financial Report
For the Fourth Quarter Ended
31 December 2017**

LANDMARKS

LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	31-Dec-2017 RM' 000 (Unaudited)	31-Dec-2016 RM' 000 (Audited)
ASSETS		
Property, plant and equipment	1,321,246	1,339,017
Property development costs	778,772	778,900
Investments in associates	-	70,462
Other investments	2,085	1,885
Deferred tax assets	350	350
Total Non-Current Assets	2,102,453	2,190,614
Inventories	827	640
Property development costs	104,363	94,131
Receivables, deposits and prepayments	14,970	13,392
Current tax assets	737	97
Other investment	71,151	-
Cash and cash equivalents	33,527	14,843
Total Current Assets	225,575	123,103
TOTAL ASSETS	2,328,028	2,313,717
EQUITY		
Share capital	734,811	480,810
Reserves	3,777	234,936
Retained earnings	1,000,502	1,030,093
Total equity attributable to owners of the Company	1,739,090	1,745,839
Non-controlling Interests	1,373	1,373
Total Equity	1,740,463	1,747,212
LIABILITIES		
Loans and borrowings	69,222	57,430
Deferred tax liabilities	463,694	461,147
Total Non-Current Liabilities	532,916	518,577
Payables and accruals	27,596	32,424
Loans and borrowings	25,628	13,524
Current tax liabilities	1,425	1,980
Total Current Liabilities	54,649	47,928
Total Liabilities	587,565	566,505
TOTAL EQUITY & LIABILITIES	2,328,028	2,313,717
Net Assets Per Share (RM)	3.29	3.63

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2017**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		3 months ended 31 DECEMBER		12 months ended 31 DECEMBER	
		2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Revenue		<u>27,671</u>	<u>21,951</u>	<u>103,812</u>	<u>83,158</u>
Loss from operations		(12,241)	(15,075)	(29,251)	(37,403)
Finance cost		(2,037)	(947)	(5,006)	(4,080)
Finance income		81	(14)	128	202
Operating loss		(14,197)	(16,036)	(34,129)	(41,281)
Share of net profit of associates, net of tax	B1	-	2,626	8,025	10,515
Loss before taxation		(14,197)	(13,410)	(26,104)	(30,766)
Income tax expense	B5	(185)	3,823	(3,722)	2,822
Loss for the period		(14,382)	(9,587)	(29,826)	(27,944)
Other comprehensive (expense)/income, net of tax					
Foreign currency translation differences for foreign operations		(14,257)	(13,954)	(12,987)	994
Other comprehensive (expense)/income for the period, net of tax		(14,257)	(13,954)	(12,987)	994
Total comprehensive (expense)/income for the period		(28,639)	(23,541)	(42,813)	(26,950)
Loss attributable to:					
Owners of the Company		(14,382)	(9,587)	(29,826)	(27,944)
Non-controlling interests		-	-	-	-
Loss for the period		(14,382)	(9,587)	(29,826)	(27,944)
Total comprehensive (expense)/income attributable to:					
Owners of the Company		(28,639)	(23,541)	(42,813)	(26,950)
Non-controlling interests		-	-	-	-
Total comprehensive (expense)/income for the period		(28,639)	(23,541)	(42,813)	(26,950)

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

Loss for the period					
-Basic		(2.72)	(1.99)	(5.84)	(5.81)
-Diluted		(2.72)	(1.99)	(5.84)	(5.81)

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 2016 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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2017

	-----Attributable to owners of the Company-----						Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	----- 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			
At 1 January 2016	480,810	12,161	1,260	218,272	2,526	1,057,760	1,772,789	1,373	1,774,162
Foreign currency translation differences for foreign operations	-	994	-	-	-	-	994	-	994
Total other comprehensive income for the period	-	994	-	-	-	-	994	-	994
Loss for the period	-	-	-	-	-	(27,944)	(27,944)	-	(27,944)
Total comprehensive income/(expense) for the period	-	994	-	-	-	(27,944)	(26,950)	-	(26,950)
Share options forfeited	-	-	-	-	(277)	277	-	-	-
Total contribution from owners	-	-	-	-	(277)	277	-	-	-
At 31 December 2016	480,810	13,155	1,260	218,272	2,249	1,030,093	1,745,839	1,373	1,747,212
At 1 January 2017	480,810	13,155	1,260	218,272	2,249	1,030,093	1,745,839	1,373	1,747,212
Foreign currency translation differences for foreign operations	-	(12,987)	-	-	-	-	(12,987)	-	(12,987)
Total other comprehensive income for the period	-	(12,987)	-	-	-	-	(12,987)	-	(12,987)
Loss for the period	-	-	-	-	-	(29,826)	(29,826)	-	(29,826)
Total comprehensive income/(expense) for the period	-	(12,987)	-	-	-	(29,826)	(42,813)	-	(42,813)
Issue of new ordinary shares	36,542	-	-	-	-	-	36,542	-	36,542
Share issue expenses	(813)	-	-	-	-	-	(813)	-	(813)
Share-based payment transactions	-	-	-	-	335	-	335	-	335
Share options forfeited	-	-	-	-	(235)	235	-	-	-
Total contribution from owners	35,729	-	-	-	100	235	36,064	-	36,064
Reclassification pursuant to S618(2) of CA 2016*	218,272	-	-	(218,272)	-	-	-	-	-
At 31 December 2017	734,811	168	1,260	-	2,349	1,000,502	1,739,090	1,373	1,740,463

* Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any amount standing to the credit of the share premium account shall become part of the share capital.

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 2016 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS

LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2017

	31-Dec-2017 RM'000	31-Dec-2016 RM'000
Cash flows from operating activities		
Loss before taxation	(26,104)	(30,766)
Adjustments for non-cash flow		
Amortisation of intangible asset	-	131
Depreciation of property, plant and equipment	17,918	16,735
Finance costs	5,006	4,080
Finance income	(128)	(202)
Gain on disposal of an associate	(4,540)	-
Gain on disposal of property, plant and equipments	-	(90)
(Gain)/loss on redeemed of other investments	(1)	1,595
Dividend income from other investments	(849)	(499)
Fair value gain on other investments	(242)	(1,259)
Property, plant and equipment written off	2,495	11,622
Project development costs written off	186	-
Share of net profit of an equity accounted associate, net of tax	(8,025)	(10,515)
Equity settled share-based payment transactions	335	-
Operating loss before changes in working capital	(13,949)	(9,168)
Changes in working capital		
Inventories	(187)	(189)
Trade and other receivables and prepayments	3,404	(4,125)
Trade payables and others payables	(1,704)	12,890
Property development costs	(28,757)	(25,112)
Cash used in operations	(41,193)	(25,704)
Income tax paid	(3,164)	(1,140)
Income tax refunded	36	-
Net cash used in operating activities	(44,321)	(26,844)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(6,242)	(8,960)
Proceeds from disposal of property, plant and equipment	-	90
Proceeds from disposal of an associate	84,760	-
Proceeds from disposal of other investments	19,940	32,798
Acquisition of other investments	(91,049)	(10,669)
(Increase)/decrease in pledge deposits placed with licensed bank	(385)	2,177
Interest received	128	202
Dividend received from :		
- an associate	-	6,600
- other investments	849	499
Net cash generated from investing activities	8,001	22,737
Cash flows from financing activities		
Interest paid	(4,876)	(3,949)
Proceeds from issue of new ordinary shares	35,729	-
Repayment of finance lease liabilities	(193)	(176)
Proceeds from/(Repayment of) loans and borrowings	23,959	(10,507)
Net cash generated from/(used in) financing activities	54,619	(14,632)
Net increase/(decrease) in cash and cash equivalents	18,299	(18,739)
Cash and cash equivalents at 1 January	13,543	32,282
Cash and cash equivalents at 31 December	31,842	13,543
	31-Dec-2017 RM'000	31-Dec-2016 RM'000
Cash and bank balances	17,715	13,531
Deposits with licensed banks	15,812	1,312
	33,527	14,843
Less : Pledged deposits	(1,685)	(1,300)
	31,842	13,543

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

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 International Accounting Standards 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016. 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 2016.

A2. Changes in Accounting Policies/Estimates

The audited financial statements of the Group for the year ended 31 December 2016 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 2016. The Group has adopted the MFRSs, amendments and interpretations effective for annual period beginning on or after 1 January 2017 where applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

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 financial year ended 31 December 2016.

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 Andaman, Langkawi generally lies in the first and last quarters of the financial year while the high season for The Canopi which is located in Bintan generally lies in the second 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:

- | | |
|---------------------------------------|-----------------------------------------------------|
| a. Hospitality and Wellness | Provision of hotel management and wellness services |
| b. Resort and Destination Development | Development of resorts and properties |

12 months ended 31 December	Hospitality and Wellness		Resort and Destination Development		Others		Consolidated	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Segment revenue	77,242	70,674	26,570	12,484	-	-	103,812	83,158
Profit / (loss) from operation	13,457	14,871	(38,755)	(45,088)	(3,953)	(7,186)	(29,251)	(37,403)
Finance costs	(3,315)	(4,047)	(857)	-	(834)	(33)	(5,006)	(4,080)
Finance income	26	44	1	11	101	147	128	202
	<u>10,168</u>	<u>10,868</u>	<u>(39,611)</u>	<u>(45,077)</u>	<u>(4,686)</u>	<u>(7,072)</u>	<u>(34,129)</u>	<u>(41,281)</u>
Included in the measure of segments results from operating activities are :								
- Depreciation and amortisation	(6,044)	(6,415)	(11,767)	(10,165)	(107)	(286)	(17,918)	(16,866)
- Foreign exchange (gain)/ loss	-	-	-	(100)	(190)	(340)	(190)	(440)
- (Reversal) / recognised of impairment loss on trade receivables	-	-	-	-	-	-	-	-
- Gain from disposal of an associate	-	-	-	-	4,540	-	4,540	-
Segment assets	<u>167,229</u>	<u>152,643</u>	<u>2,085,037</u>	<u>2,086,354</u>	<u>75,762</u>	<u>74,723</u>	<u>2,328,028</u>	<u>2,313,720</u>

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 year ended 31 December 2017.

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 year ended 31 December 2017 other than as mentioned below:

During the financial year, a total of 48,080,970 new ordinary shares were allotted and issued by the Company and listed on the Main Market of Bursa Malaysia Securities Berhad on 16 May 2017 and 18 May 2017 respectively.

A15. *Events subsequent to the balance sheet date*

There were no material events subsequent to the end of the financial year under review that have not been reflected in the financial statements as at the date of this report other than as mentioned below:

The Employee Share Option Scheme ("Scheme"), which became effective on 2 January 2008 and extended from 2 January 2013 for a total duration of 10 years, has expired on 1 January 2018 pursuant to the By-Laws of the Scheme.

In accordance with the By-Laws of the Scheme, there shall be no further offers of options over ordinary shares of the Company from 1 January 2018. All outstanding options over ordinary shares of the Company offered pursuant to the Scheme have automatically been terminated on 1 January 2018.

A16. *Contingent liabilities and contingent assets*

As at 31 December 2017, 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 2017 RM'000
Corporate guarantees granted for banking facilities of a subsidiary (note B8)	<u>68,760</u>

A17. *Capital and commitments*

	31 December 2017 RM'000
Authorised but not contracted for	-
Contracted but not provided for	<u>29,616</u>
Total	<u>29,616</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, policies and risk profile are consistent with those disclosed in the consolidated financial statements for the financial year ended 31 December 2016.

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

B1. Review of performance for Financial Year Ended 31 December 2017 compared with Financial Year Ended 31 December 2016

	INDIVIDUAL PERIOD			CUMULATIVE PERIOD		
	3 months ended			12 months ended		
	31 DECEMBER			31 DECEMBER		
	2017	2016	Changes	2017	2016	Changes
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	27,671	21,951	26	103,812	83,158	25
Loss from operations	(12,241)	(15,075)	19	(29,251)	(37,403)	22
Finance costs	(2,037)	(947)	-115	(5,006)	(4,080)	-23
Finance income	81	(14)	679	128	202	-37
Operating loss	(14,197)	(16,036)	11	(34,129)	(41,281)	17
Share of net profit of associate	0	2,626	-100	8,025	10,515	-24
Loss before tax	(14,197)	(13,410)	-6	(26,104)	(30,766)	15

(a) Quarter ended 31 December 2017 ("4Q 2017") compared with quarter ended 31 December 2016 ("4Q 2016")

The Group's revenue in 4Q 2017 was RM27.67 million, an increase of 26% compared with RM21.95 million in 4Q 2016.

The increase in revenue was mainly attributable to:

- (i) higher revenue from The Andaman at Langkawi by RM0.55 million, mainly due to higher average room rate of 13%;
- (ii) higher revenue from The Canopi at Treasure Bay Bintan ("TBB") by RM3.81 million, mainly contributed by additional 60 new tents in operation from June 2017; and
- (iii) higher revenue from attraction at TBB by RM1.37 million, mainly contributed by additional new attractions and activities, and an increase in total visitors to TBB.

Loss before tax ("LBT") for 4Q 2017 was RM14.20 million compared with RM13.41 million in 4Q 2016, an increase of 6% was mainly due to:

- (i) lower operating profit from The Andaman at Langkawi by RM2.76 million or 77% despite a higher revenue, mainly attributable to provision for litigation case on minimum wages; and
- (ii) there was no share of net profit of associate, MSL Properties Sdn Bhd ("MSL"), as it has ceased to be an associate company of the Group in August 2017.

B1. Review of performance for Financial Year Ended 31 December 2017 compared with Financial Year Ended 31 December 2016 (continued)

(b) Financial year ended 31 December 2017 ("FY 2017") compared with financial year ended 31 December 2016 ("FY 2016")

The Group's revenue in FY 2017 was RM103.81 million, an increase of 25% compared with RM83.16 million in FY 2016.

The increase in revenue was mainly attributable to:

- (i) higher revenue from The Andaman at Langkawi by RM6.57 million, mainly contributed by higher average room rate of 9%;
- (ii) higher revenue from The Canopi at TBB by RM8.88 million, mainly contributed by additional 60 tents in operation from June 2017; and
- (iii) higher revenue from attraction at TBB by RM5.31 million, mainly contributed by additional new attractions and activities as well as an increase in total visitors to TBB.

LBT for FY 2017 was RM26.10 million compared with RM30.77 million in FY 2016, an improvement of 15% was mainly due to:

- (i) lower operating loss in TBB, mainly due to higher revenue generated from The Canopi and attractions at TBB, partially offset by costs incurred for the litigation with respect to the Suspension of Debt Payment Obligations Process by the Medan Commercial Court, which has subsequently been lifted upon ratification of the composition plan by the said Court and higher operating loss in FY 2016 which included property, plant and equipment written off of RM11.62 million;
- (ii) one-off gain on disposal of associate of RM4.54 million; and
- (iii) offset by lower operating profit from The Andaman at Langkawi by RM1.42 million despite a higher revenue, mainly attributable to provision for litigation case on minimum wages.

**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

	2017 4th Qtr ("4Q 2017") RM'000	2017 3rd Qtr ("3Q 2017") RM'000	Changes %
Revenue	27,671	28,054	-1
Loss from operations	(12,241)	(1,148)	-966
Finance costs	(2,037)	(1,046)	-95
Finance income	81	37	119
Operating loss	(14,197)	(2,157)	-558
Share of net profit of associate	-	6,794	-100
Profit/(loss) before tax	(14,197)	4,637	-406

The Group's revenue in 4Q 2017 was RM27.67 million, a marginal decrease of 1% compared with RM28.01 million in 3Q 2017.

LBT for 4Q 2017 was RM14.20 million compared with profit before tax of RM4.64 million in 3Q 2017.

The lower profitability was mainly due to:

- (i) lower operating profit from The Andaman at Langkawi by RM3.42 million mainly due to provision made for litigation case on minimum wages; and
- (ii) share of net profit of associate, MSL was only accounted for upto 3Q 2017, as it has been disposed off in August 2017 with a one-off gain on disposal of RM4.54 million.

B3. Prospects

The Andaman continues to experience high occupancy and steady growth on room rate. The management will continue focusing on the three unique offerings at The Andaman, i.e. the rainforest, the corals and the wellness programmes by V Integrated Wellness as core marketing strategies to lure foreign tourists. The Board expects The Andaman to continue to perform well in 2018.

The Canopi now has an inventory of 100 tents. It continues to experience high occupancy and steady growth on room rate as planned. More attractions and activities are now being added to the offerings in Chill Cove at TBB. The Marine Life Park ("MLP"), our new catalyst for Chill Cove, will be in operation by 2nd quarter 2018. The Board expects The Canopi, MLP and new attractions to attract more visitors to Chill Cove and increase its revenue contribution to the Group in 2018.

The Group has started the sales & marketing of the Chiva-Som Residences Bintan in early 2018. The Board expects the sales to contribute significantly to the Group's revenue and profits in financial year 2018.

B4. Profit forecast

Not applicable as no profit forecast was announced or disclosed.

B5. Income tax expense

	Current period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Income tax charge				
- Malaysia	(1,139)	(191)	1,169	1,088
- Overseas	1	15	7	15
Deferred Taxation	1,323	(3,647)	2,546	(3,925)
Taxation (overprovision)/ charge	<u>185</u>	<u>(3,823)</u>	<u>3,722</u>	<u>(2,822)</u>

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.

B6. Status of corporate proposals announced

The proceeds of RM36,541,537 raised from the issuance of new ordinary shares (as disclosed in Note A14) have been partially utilized during the financial year in the following manner:

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for utilisation	Variance RM'000
Repay term loan	13,000	13,000	within 2 months	-
Capital expenditure	11,600	11,600	within 12 months	-
Working capital	11,082	11,115	within 12 months	(33)
Defray expenses in relation to the Private Placement	860	827		33 *
	<u>36,542</u>	<u>36,542</u>		<u>-</u>

*The unutilized allocation to defray expenses of RM33,000 was utilized for working capital.

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 2017 RM'000	As at 31 December 2016 RM'000
Short term borrowings - Secured		
Term loan	15,443	13,339
Revolving credit	10,000	-
Hire purchase liabilities	185	185
	<u>25,628</u>	<u>13,524</u>
Long term borrowings - Secured		
Term loan	68,959	57,000
Hire purchase liabilities	263	430
	<u>69,222</u>	<u>57,430</u>
Total borrowings	<u>94,850</u>	<u>70,954</u>

The above include borrowings denominated in foreign currencies as follows:

	As at 31 December 2017 RM'000	As at 31 December 2016 RM'000
USD	<u>11,317</u>	<u>-</u>

The term loan of RM68.76 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 year ended 31 December 2017.

B12. Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per ordinary share was calculated by dividing the profit/(loss) 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	
	2017	2016	2017	2016
a) Basic earnings/(loss) per share				
Loss attributable to equity owners of the Company (RM'000)	(14,382)	(9,587)	(29,826)	(27,944)
Issued ordinary shares at beginning of period ('000)	480,810	480,810	480,810	480,810
Effect of issue of ordinary shares ('000)	48,081	-	30,297	-
Weighted average number of ordinary shares ('000)	528,891	480,810	511,107	480,810
Basic loss per share attributable to equity owners of the Company (sen)	(2.72)	(1.99)	(5.84)	(5.81)

Diluted earnings/(loss) per share for the current financial period was calculated by dividing the profit/(loss) 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").

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

	Individual period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2017	2016	2017	2016
b) Diluted earnings/(loss) per share				
Loss attributable to equity owners of the Company (RM'000)	(14,382)	(9,587)	(29,826)	(27,944)
Weighted average number of ordinary shares ('000)	528,891	480,810	511,107	480,810
Adjustment for dilutive effect of ESOS	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	528,891	480,810	511,107	480,810
Diluted loss per share attributable to equity owners of the Company (sen)	(2.72)	(1.99)	(5.84)	(5.81)

By Order of The Board

IRENE LOW YUET CHUN
Company Secretary

Kuala Lumpur
27th February 2018
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