

# LANDMARKS

## **LANDMARKS BERHAD**

(Registration No. 198901007900 (185202-H))

(Incorporated in Malaysia)

### **Unaudited Interim Financial Report For the Third Quarter Ended 30 September 2020**

# LANDMARKS

LANDMARKS BERHAD (Registration No. 198901007900 (185202-H))

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

|   | 30-September-2020<br>RM' 000<br>(Unaudited) | 31-December-2019<br>RM' 000<br>(Audited) |
|---|---|--|
| <b>ASSETS</b>   |   |  |
| Property, plant and equipment                             | 1,502,123                                   | 1,518,551                                |
| Right-of-use assets                                       | 19,433                                      | 21,609                                   |
| Inventories   | 632,832                                     | 632,832                                  |
| Other investments   | 2,085                                       | 2,085                                    |
| <b>Total Non-Current Assets</b>                           | <b>2,156,473</b>                            | <b>2,175,077</b>                         |
| Inventories   | 57,568                                      | 59,306                                   |
| Receivables, deposits and prepayments                     | 11,381                                      | 16,393                                   |
| Current tax assets  | 257   | 246                                      |
| Other investment  | 28  | 9,664                                    |
| Cash and cash equivalents                                 | 11,005                                      | 27,520                                   |
| <b>Total Current Assets</b>                               | <b>80,239</b>                               | <b>113,129</b>                           |
| <b>TOTAL ASSETS</b>                                       | <b>2,236,712</b>                            | <b>2,288,206</b>                         |
| <b>EQUITY</b>   |   |  |
| Share capital   | 734,811                                     | 734,811                                  |
| Reserves  | (5,563)                                     | (1,393)                                  |
| Retained earnings   | 1,008,910                                   | 1,056,390                                |
| <b>Total equity attributable to owners of the Company</b> | <b>1,738,158</b>                            | <b>1,789,808</b>                         |
| <b>Non-controlling Interests</b>                          | <b>713</b>                                  | <b>713</b>                               |
| <b>Total Equity</b>                                       | <b>1,738,871</b>                            | <b>1,790,521</b>                         |
| <b>LIABILITIES</b>  |   |  |
| Loans and borrowings                                      | 117,770                                     | 111,500                                  |
| Lease liabilities   | 9,170                                       | 11,527                                   |
| Deferred tax liabilities                                  | 326,647                                     | 326,749                                  |
| Retirement benefits                                       | 3,595                                       | 3,211                                    |
| <b>Total Non-Current Liabilities</b>                      | <b>457,182</b>                              | <b>452,987</b>                           |
| Loans and borrowings                                      | 9,829                                       | 9,911                                    |
| Payables and accruals                                     | 26,141                                      | 30,402                                   |
| Lease liabilities   | 2,886                                       | 2,499                                    |
| Current tax liabilities                                   | 1,803                                       | 1,886                                    |
| <b>Total Current Liabilities</b>                          | <b>40,659</b>                               | <b>44,698</b>                            |
| <b>Total Liabilities</b>                                  | <b>497,841</b>                              | <b>497,685</b>                           |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>                     | <b>2,236,712</b>                            | <b>2,288,206</b>                         |
| <b>Net Assets Per Share (RM)</b>                          | <b>3.29</b>                                 | <b>3.38</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 2019 and the accompanying explanatory notes attached to the interim financial statements.

# LANDMARKS

LANDMARKS BERHAD (Registration No. 198901007900 (185202-H))

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2020

|  | INDIVIDUAL PERIOD |                 | CUMULATIVE PERIOD |                 |
|--|-------------------|-----------------|-------------------|-----------------|
|  | 3 months ended    |                 | 9 months ended    |                 |
|  | 30 September      |                 | 30 September      |                 |
|  | 2020              | 2019            | 2020              | 2019            |
|  | RM'000            | RM'000          | RM'000            | RM'000          |
| Revenue  | <u>5,356</u>      | <u>28,365</u>   | <u>31,252</u>     | <u>83,451</u>   |
| <b>Loss from operations</b>  | <b>(14,482)</b>   | <b>(8,682)</b>  | <b>(43,079)</b>   | <b>(30,418)</b> |
| Finance cost   | <u>(1,615)</u>    | <u>(2,317)</u>  | <u>(5,141)</u>    | <u>(6,837)</u>  |
| Finance income   | <u>28</u>         | <u>23</u>       | <u>131</u>        | <u>56</u>       |
| <b>Loss before taxation</b>  | <b>(16,069)</b>   | <b>(10,976)</b> | <b>(48,089)</b>   | <b>(37,199)</b> |
| Income tax credit/(expense)  | <u>215</u>        | <u>(531)</u>    | <u>17</u>         | <u>(2,100)</u>  |
| <b>Loss for the period</b>   | <b>(15,854)</b>   | <b>(11,507)</b> | <b>(48,072)</b>   | <b>(39,299)</b> |
| <b>Other comprehensive income, net of tax</b>                          |                   |                 |                   |                 |
| Foreign currency translation differences for foreign operations        | <u>(8,499)</u>    | <u>480</u>      | <u>(6,504)</u>    | <u>1,497</u>    |
| <b>Other comprehensive (expense)/income for the period, net of tax</b> | <b>(8,499)</b>    | <b>480</b>      | <b>(6,504)</b>    | <b>1,497</b>    |
| <b>Total comprehensive expense for the period</b>                      | <b>(24,353)</b>   | <b>(11,027)</b> | <b>(54,576)</b>   | <b>(37,802)</b> |
| <b>Loss attributable to:</b>   |                   |                 |                   |                 |
| Owners of the Company  | <u>(15,854)</u>   | <u>(11,507)</u> | <u>(48,072)</u>   | <u>(39,299)</u> |
| Non-controlling interests  | <u>-</u>          | <u>-</u>        | <u>-</u>          | <u>-</u>        |
| <b>Loss for the period</b>   | <b>(15,854)</b>   | <b>(11,507)</b> | <b>(48,072)</b>   | <b>(39,299)</b> |
| <b>Total comprehensive expense attributable to:</b>                    |                   |                 |                   |                 |
| Owners of the Company  | <u>(24,353)</u>   | <u>(11,027)</u> | <u>(54,576)</u>   | <u>(37,802)</u> |
| Non-controlling interests  | <u>-</u>          | <u>-</u>        | <u>-</u>          | <u>-</u>        |
| <b>Total comprehensive expense for the period</b>                      | <b>(24,353)</b>   | <b>(11,027)</b> | <b>(54,576)</b>   | <b>(37,802)</b> |

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

|                     |        |        |        |        |
|---------------------|--------|--------|--------|--------|
| Loss for the period |        |        |        |        |
| -Basic              | (3.00) | (2.18) | (9.09) | (7.43) |
| -Diluted            | (3.00) | (2.18) | (9.09) | (7.43) |

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

# LANDMARKS

LANDMARKS BERHAD (Registration No. 198901007900 (185202-H))

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2020

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

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

|   | Share<br>Capital<br>RM'000 | Translation<br>Reserve<br>RM'000 | Share<br>Option<br>Reserve<br>RM'000 | Retained<br>Earnings<br>RM'000 | Total<br>RM'000  | Non-<br>controlling<br>interest<br>RM'000 | Total Equity<br>RM'000 |
|---|----------------------------|----------------------------------|--------------------------------------|--------------------------------|------------------|---|------------------------|
| <b>At 1 January 2019, as previously reported</b>                | 734,811                    | (7,257)                          | 3,781                                | 966,714                        | 1,698,049        | 1,373                                     | 1,699,422              |
| Prior year adjustments  | -                          | -                                | -                                    | 189,588                        | 189,588          | -   | 189,588                |
| <b>At 1 January 2019, restated</b>                              | 734,811                    | (7,257)                          | 3,781                                | 1,156,302                      | 1,887,637        | 1,373                                     | 1,889,010              |
| Foreign currency translation differences for foreign operations | -                          | 1,497                            | -                                    | -                              | 1,497            | -   | 1,497                  |
| Total other comprehensive income for the period                 | -                          | 1,497                            | -                                    | -                              | 1,497            | -   | 1,497                  |
| Loss for the period   | -                          | -                                | -                                    | (39,299)                       | (39,299)         | -   | (39,299)               |
| <b>Total comprehensive income/(expense) for the period</b>      | -                          | 1,497                            | -                                    | (39,299)                       | (37,802)         | -   | (37,802)               |
| Share-based payment transactions                                | -                          | -                                | 1,235                                | -                              | 1,235            | -   | 1,235                  |
| Share options forfeited   | -                          | -                                | (307)                                | 307                            | -                | -   | -                      |
| <b>Total contribution from owners</b>                           | -                          | -                                | 928                                  | 307                            | 1,235            | -   | 1,235                  |
| <b>At 30 September 2019</b>                                     | 734,811                    | (5,760)                          | 4,709                                | 1,117,310                      | 1,851,070        | 1,373                                     | 1,852,443              |
| <b>At 1 January 2020</b>  | <b>734,811</b>             | <b>(7,008)</b>                   | <b>5,615</b>                         | <b>1,056,390</b>               | <b>1,789,808</b> | <b>713</b>                                | <b>1,790,521</b>       |
| Foreign currency translation differences for foreign operations | -                          | (6,504)                          | -                                    | -                              | (6,504)          | -   | (6,504)                |
| Total other comprehensive expense for the period                | -                          | (6,504)                          | -                                    | -                              | (6,504)          | -   | (6,504)                |
| Loss for the period   | -                          | -                                | -                                    | (48,072)                       | (48,072)         | -   | (48,072)               |
| <b>Total comprehensive expense for the period</b>               | -                          | <b>(6,504)</b>                   | -                                    | <b>(48,072)</b>                | <b>(54,576)</b>  | -   | <b>(54,576)</b>        |
| Share-based payment transactions                                | -                          | -                                | 2,926                                | -                              | 2,926            | -   | 2,926                  |
| Share options forfeited   | -                          | -                                | (592)                                | 592                            | -                | -   | -                      |
| <b>Total contribution from owners</b>                           | -                          | -                                | <b>2,334</b>                         | <b>592</b>                     | <b>2,926</b>     | -   | <b>2,926</b>           |
| <b>At 30 September 2020</b>                                     | <b>734,811</b>             | <b>(13,512)</b>                  | <b>7,949</b>                         | <b>1,008,910</b>               | <b>1,738,158</b> | <b>713</b>                                | <b>1,738,871</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 2019 and the accompanying explanatory notes attached to the interim financial statements.

# LANDMARKS

LANDMARKS BERHAD (Registration No. 198901007900 (185202-H))

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2020

|   | 30-September-2020<br>RM'000         | 30-September-2019<br>RM'000         |
|---|-------------------------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>                   |                                     |                                     |
| Loss before taxation  | (48,089)                            | (37,199)                            |
| Adjustments for non-cash flow                                 |                                     |                                     |
| Depreciation of property, plant and equipment                 | 15,930                              | 14,193                              |
| Depreciation of right-of-use assets                           | 2,365                               | 2,262                               |
| Dividend income from other investments                        | (106)                               | (1,546)                             |
| Finance costs   | 5,141                               | 6,837                               |
| Finance income  | (131)                               | (56)                                |
| Loss on disposal of property, plant and equipments            | 190                                 | 8                                   |
| Provision for minimum wages                                   | 891                                 | 2,205                               |
| Gain on redemption of other investments                       | (8)                                 | (11)                                |
| Fair value (gain)/loss on other investments                   | (1)                                 | 36                                  |
| Property, plant and equipment written off                     | -                                   | 4                                   |
| Equity settled share-based payment transactions               | 2,926                               | 1,235                               |
| Waiver of rental  | (1,237)                             | -                                   |
| <b>Operating loss before changes in working capital</b>       | <b>(22,129)</b>                     | <b>(12,032)</b>                     |
| Changes in working capital                                    |                                     |                                     |
| Retirement benefits   | 384                                 | -                                   |
| Inventories   | 77                                  | (3,444)                             |
| Trade and other receivables and prepayments                   | 5,012                               | (5,837)                             |
| Trade payables and others payables                            | (8,167)                             | (4,427)                             |
| Cash used in operations                                       | <b>(24,823)</b>                     | <b>(25,740)</b>                     |
| Income tax paid   | (604)                               | (700)                               |
| Income tax refunded   | 430                                 | 289                                 |
| <b>Net cash used in operating activities</b>                  | <b>(24,997)</b>                     | <b>(26,151)</b>                     |
| <b>Cash flows from investing activities</b>                   |                                     |                                     |
| Acquisition of property, plant and equipment                  | (4,186)                             | (21,742)                            |
| Proceeds from disposal of property, plant and equipment       | 22                                  | 143                                 |
| Proceeds from disposal of other investments                   | 12,950                              | 63,010                              |
| Acquisition of other investments                              | (3,306)                             | (1,566)                             |
| Increase in pledge deposits placed with licensed bank         | (62)                                | (989)                               |
| Interest received   | 131                                 | 56                                  |
| Dividend received from :                                      |                                     |                                     |
| - other investments   | 106                                 | 1,546                               |
| <b>Net cash generated from investing activities</b>           | <b>5,655</b>                        | <b>40,458</b>                       |
| <b>Cash flows from financing activities</b>                   |                                     |                                     |
| Interest paid   | (2,075)                             | (6,652)                             |
| Interest paid on lease liabilities                            | (326)                               | (549)                               |
| Repayment of lease liabilities                                | (910)                               | (2,107)                             |
| Drawdown/(repayment) of loans and borrowings                  | 6,075                               | (12,975)                            |
| <b>Net cash generated from/(used in) financing activities</b> | <b>2,764</b>                        | <b>(22,283)</b>                     |
| Net decrease in cash and cash equivalents                     | <b>(16,578)</b>                     | <b>(7,976)</b>                      |
| Cash and cash equivalents at 1 January                        | 24,001                              | 28,404                              |
| <b>Cash and cash equivalents at 30 September</b>              | <b>7,423</b>                        | <b>20,428</b>                       |
|   | <b>30-September-2020<br/>RM'000</b> | <b>30-September-2019<br/>RM'000</b> |
| Cash and bank balances  | 7,423                               | 20,281                              |
| Deposits with licensed banks                                  | 3,581                               | 3,666                               |
|   | 11,004                              | 23,947                              |
| Less : Pledged deposits                                       | (3,581)                             | (3,519)                             |
|   | <b>7,423</b>                        | <b>20,428</b>                       |

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 30 SEPTEMBER 2020

#### 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 2019. The explanatory notes attached to the interim financial report provide an elucidation of the events and transactions that are material to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

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

The audited financial statements of the Group for the year ended 31 December 2019 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 2019. The Group has adopted the MFRSs, amendments and interpretations effective for annual period beginning on or after 1 January 2020 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 2019.

**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 Natra Bintan and Anmon which are located in Bintan generally lies in the second and last quarters of the financial year.

The continued interposition of the COVID-19 pandemic has had a material adverse effect as to generally nullify these factors for the time being for the hotel and hospitality industry world wide until a medical solution or health and safety measures can be put in place to quell the pandemic and its consequent effects.

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

**A10. Revenue from contracts with customers**

The disaggregation of the Group's revenue from contracts with customers is as follows:

|                                       | <b>9 months ended<br/>30 September</b> |               |
|---------------------------------------|--|---------------|
|                                       | <b>2020</b>                            | <b>2019</b>   |
|                                       | <b>RM'000</b>                          | <b>RM'000</b> |
| <b>Primary geographical markets</b>   |  |               |
| Malaysia                              | <b>23,929</b>                          | 57,679        |
| Indonesia                             | <b>7,217</b>                           | 24,227        |
|                                       | <b>31,146</b>                          | 81,906        |
| <b>Major service lines</b>            |  |               |
| Room revenue                          | <b>19,306</b>                          | 49,844        |
| Attraction revenue                    | <b>1,429</b>                           | 6,270         |
| Food and beverage revenue             | <b>10,411</b>                          | 25,792        |
|                                       | <b>31,146</b>                          | 81,906        |
| <b>Timing and recognition</b>         |  |               |
| Over time                             | <b>20,735</b>                          | 56,114        |
| At a point in time                    | <b>10,411</b>                          | 25,792        |
|                                       | <b>31,146</b>                          | 81,906        |
| Revenue from contracts with customers | <b>31,146</b>                          | 81,906        |
| Other revenue                         | <b>106</b>                             | 1,545         |
| <b>Total Revenue</b>                  | <b>31,252</b>                          | 83,451        |

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

**A11. 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, properties and attractions

| 9 months ended 30 September   | Hospitality and Wellness |                | Resort and Destination Development |                 | Others         |                | Consolidated     |                 |
|---|--------------------------|----------------|------------------------------------|-----------------|----------------|----------------|------------------|-----------------|
|   | 2020<br>RM'000           | 2019<br>RM'000 | 2020<br>RM'000                     | 2019<br>RM'000  | 2020<br>RM'000 | 2019<br>RM'000 | 2020<br>RM'000   | 2019<br>RM'000  |
| Segment revenue   | 29,584                   | 75,636         | 1,563                              | 6,270           | 105            | 1,545          | <b>31,252</b>    | 83,451          |
| Loss from operations  | (19,625)                 | (269)          | (16,487)                           | (23,441)        | (6,967)        | (6,708)        | <b>(43,079)</b>  | (30,418)        |
| Finance costs   | (4,525)                  | (5,511)        | (560)                              | (1,311)         | (56)           | (15)           | <b>(5,141)</b>   | (6,837)         |
| Finance income  | 128                      | 42             | 3                                  | 13              | -              | 1              | <b>131</b>       | 56              |
|   | <b>(24,022)</b>          | <b>(5,738)</b> | <b>(17,044)</b>                    | <b>(24,739)</b> | <b>(7,023)</b> | <b>(6,722)</b> | <b>(48,089)</b>  | <b>(37,199)</b> |
| Included in the measure of segments results from operating activities are : |                          |                |                                    |                 |                |                |                  |                 |
| - Depreciation and amortisation   | (10,790)                 | (10,552)       | (7,155)                            | (5,557)         | (350)          | (346)          | <b>(18,295)</b>  | (16,455)        |
| Segment assets  | 227,549                  | 255,532        | 2,004,222                          | 2,012,641       | 4,941          | 30,123         | <b>2,236,712</b> | 2,298,296       |

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.

**A12. *Property, plant and equipment***

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

**A13. *Intangible asset***

There was no additional purchase of intangible asset for the financial period ended 30 September 2020.

**A14. *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.

**A15. *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 30 September 2020.

**A16. *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.

**A17. *Contingent liabilities and contingent assets***

As at 30 September 2020, 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>RM'000</b>  |
| Corporate guarantees granted for banking facilities of a subsidiary (note B9) | <b>128,075</b> |

**A18. *Capital and commitments***

|                                   |                                     |
|-----------------------------------|-------------------------------------|
|                                   | <b>30 September 2020<br/>RM'000</b> |
| Authorised but not contracted for | 65,557                              |
| Contracted but not provided for   | 2,872                               |
| <b>Total</b>                      | <b>68,429</b>                       |

**A19. *Related party transactions***

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

**A20. *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 2019.

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

**B1. Review of performance for Financial Period Ended 30 September 2020 compared with Financial Period Ended 30 September 2019**

The results of the Group are tabulated below:

|                             | INDIVIDUAL PERIOD |                 |            | CUMULATIVE PERIOD |                 |            |
|-----------------------------|-------------------|-----------------|------------|-------------------|-----------------|------------|
|                             | 3 months ended    |                 |            | 9 months ended    |                 |            |
|                             | 30 September      |                 |            | 30 September      |                 |            |
|                             | 2020              | 2019            | Changes    | 2020              | 2019            | Changes    |
|                             | RM'000            | RM'000          | (%)        | RM'000            | RM'000          | (%)        |
| <b>Revenue</b>              | <b>5,356</b>      | <b>28,365</b>   | <b>-81</b> | <b>31,252</b>     | <b>83,451</b>   | <b>-63</b> |
| <b>Loss from operations</b> | <b>(14,482)</b>   | <b>(8,682)</b>  | <b>-67</b> | <b>(43,079)</b>   | <b>(30,418)</b> | <b>-42</b> |
| Finance costs               | (1,615)           | (2,317)         | 30         | (5,141)           | (6,837)         | 25         |
| Finance income              | 28                | 23              | 22         | 131               | 56              | 134        |
| <b>Loss before tax</b>      | <b>(16,069)</b>   | <b>(10,976)</b> | <b>-46</b> | <b>(48,089)</b>   | <b>(37,199)</b> | <b>-29</b> |

(a) Quarter ended 30 September 2020 ("3Q 2020") compared with quarter ended 30 September 2019 ("3Q 2019")

The Group's loss before tax ("LBT") for quarter ended 30 September 2020 ("3Q 2020") was RM16.07 million as compared to RM10.98 million for quarter ended 30 September 2019 ("3Q 2019").

- (i) The Andaman incurred operating loss of RM4.17 million compared to operating profit of RM3.35 million in the same quarter of preceding year. This is due to the low occupancy caused by the Covid-19 pandemic and consequential travelling restrictions; and
- (ii) Higher operating costs incurred in the same quarter of preceding year on ANMON pre-opening costs of RM1.54 million.
- (iii) Waiver of TBB main entrance building rental by the landlord amounting to RM 1.2 million in current quarter due to Covid-19 pandemic.

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

**B1. Review of performance for Financial Period Ended 30 September 2020 compared with Financial Period Ended 30 September 2019 (continued)**

(b) Financial period for the nine months ended 30 September 2020 ("9M 2020") compared with nine months ended 30 September 2019 ("9M 2019")

The Group's LBT for 9M 2020 was RM48.09 million as compared with RM 37.20 million in 9M 2019 even though:

- (i) ANMON incurred lower operating loss of RM2.53 million as compared to last year's loss of RM4.83 million which had included pre-opening expenses of RM2.31 million incurred last year;
- (ii) lower operating costs were incurred by Singapore office amounting to RM5.83 million as compared to RM11.16 million due to costs rationalization exercise; and
- (iii) lower finance cost of RM5.14 million was incurred as compared with RM6.84 million in 9M 2019;

the overall increase in losses was mainly due to the following factors:

- (iv) The Andaman recorded an operating loss of RM5.30 million as compared to an operating profit of RM11.65 million in 9M 2019 mainly due to the Covid-19 pandemic affecting the business operation of the resort; and
- (v) Natra Bintan incurred higher operating loss of RM11.50 million as compared to RM7.09 million mainly due to temporary closure of hotel business operations in Q2 2020 and Q3 2020.

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

|                             | <b>2020<br/>3rd<br/>Quarter<br/>RM'000</b> | <b>2020<br/>2nd<br/>Quarter<br/>RM'000</b> | <b>Changes<br/>%</b> |
|-----------------------------|--|--|----------------------|
| <b>Revenue</b>              | <u>5,356</u>                               | <u>109</u>                                 | <b>&gt; 100</b>      |
| <b>Loss from operations</b> | <u>(14,482)</u>                            | <u>(18,706)</u>                            | <b>23</b>            |
| Finance costs               | (1,615)                                    | (1,821)                                    | 11                   |
| Finance income              | 28   | 29   | -3                   |
| <b>Loss before tax</b>      | <u>(16,069)</u>                            | <u>(20,498)</u>                            | <b>22</b>            |

LBT decreased by 22% from RM20.50 million in 2Q 2020 to RM16.07 million in 3Q 2020 mainly due to business operations of the Group's resorts and leisure operations having been resumed on 1 July 2020 in Malaysia and in stages in Indonesia with effect from 31 July 2020 respectively; There is a share based payment of RM 2.22 million recorded in 3Q 2020.

**B3. Prospects**

The travel, tourism and hotel industry's outlook remains uncertain and daunting because of the second or third wave infections of the Covid-19 pandemic traversing worldwide. This has caused most international borders to remain closed for leisure and holiday travelling at the moment. Without any signs of easing of travelling restrictions imposed by many countries like Singapore and Europe, even internally in Malaysia and also from health procedures requirements for Indonesia it will continue to put pressure on the Group's revenue.

The Andaman Langkawi which has experienced better performance upon reopening of the resort since 1 July 2020, is now experiencing another round of business interruption due to the recent CMCO in Selangor and Kuala Lumpur. With the extension of the CMCO to 6 Dec 2020, The Andaman will suffer further losses.

Business remains slow in Treasure Bay Bintan as Treasure Bay Bintan relies mostly on the Singapore market, which has yet to open its borders for the Singaporeans and other visitors travelling to Bintan.

The Group continues to carry out its cost control and rationalization programs. Further steps are being taken to contain costs and to manage the Group's cashflow. The Group is stepping up its tactical sales and marketing plans to drive demand and business from the domestic market.

We will monitor closely the performance for both The Andaman Langkawi and Treasure Bay Bintan and take every opportunity to re-establish and enhance our market share as travel restrictions ease.

**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. Loss before tax**

|  | <b>Current<br/>Year<br/>Quarter<br/>30<br/>September<br/>2020<br/>RM'000</b> | <b>Current<br/>Year<br/>To-date<br/>30<br/>September<br/>2020<br/>RM'000</b> |
|--|--|--|
| Loss before tax is arrived at after charging/(crediting):-             |  |  |
| Gross dividend income from short term investments                      | -  | (106)  |
| Depreciation and amortization  | 5,992  | 18,295   |
| Loss/(gain) on foreign exchange  | 10   | (3)  |
| (Reversal of impairment loss)/<br>impairment loss on trade receivables | (10)   | 20   |
| Impairment of property, plant and equipment                            | -  | -  |
| Inventories written down   | -  | -  |
| Gain on disposal of quoted/unquoted investments or properties          | -  | -  |
| Fair value gain on derivative instruments                              | -  | -  |
|  | <hr/>  | <hr/>  |

**B6. Income tax (credit)/expense**

|                   | <b>Current period<br/>3 months ended<br/>30 September<br/>2020    2019<br/>RM'000    RM'000</b> |       | <b>Cumulative period<br/>9 months ended<br/>30 September<br/>2020    2019<br/>RM'000    RM'000</b> |       |
|-------------------|---|-------|--|-------|
| Current taxation  |   |       |  |       |
| Income tax charge |   |       |  |       |
| - Malaysia        | (25)  | 505   | -  | 1,173 |
| - Overseas        | 3   | -     | 85   | -     |
| Deferred Taxation | (193)   | 26    | (102)  | 927   |
|                   | <hr/>   | <hr/> | <hr/>  | <hr/> |
|                   | (215)   | 531   | (17)   | 2,100 |

**B7. Status of corporate proposals announced but not completed**

There are no corporate proposal announced but not completed at the latest practicable date which must not be earlier than 7 days from the date of issue of the quarterly report.

**B8. Changes in material litigation**

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

**B9. Loans and borrowings**

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

|  | As at<br>30 September<br>2020<br>RM'000 | As at<br>30 September<br>2019<br>RM'000 |
|--|---|---|
| <b>Short term borrowings - Secured</b> |   |   |
| Term loans                             | 9,829                                   | 6,252                                   |
|  | <hr/> 9,829                             | <hr/> 6,252                             |
| <b>Long term borrowings - Secured</b>  |   |   |
| Term loans                             | 117,770                                 | 114,125                                 |
|  | <hr/> 117,770                           | <hr/> 114,159                           |
| <b>Total borrowings</b>                | <hr/> <b>127,599</b>                    | <hr/> <b>120,377</b>                    |

The above include borrowings denominated in foreign currencies as follows:

|     | As at<br>30 September<br>2020<br>RM'000 | As at<br>30 September<br>2019<br>RM'000 |
|-----|---|---|
| USD | <hr/> -                                 | <hr/> 3,899                             |

The term loan of RM128.08 million for subsidiary was secured by a corporate guarantee from Landmarks Berhad.

**B10. Derivative financial instruments**

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

**B11. 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.

**B12. Dividends**

The Board of Directors does not recommend the payment of any dividend for the financial period ended 30 September 2020.

**B13. Basic loss per ordinary share**

a) Basic loss per ordinary share was calculated by dividing the loss 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>9 months ended</b>    |             |
|   | <b>30 September</b>      |             | <b>30 September</b>      |             |
|   | <b>2020</b>              | <b>2019</b> | <b>2020</b>              | <b>2019</b> |
| <b>Basic loss per share</b>   |                          |             |                          |             |
| Loss attributable to equity owners of the Company (RM'000)              | <b>(15,854)</b>          | (11,507)    | <b>(48,072)</b>          | (39,299)    |
| Weighted average number of ordinary shares ('000)                       | <b>528,891</b>           | 528,891     | <b>528,891</b>           | 528,891     |
| Basic loss per share attributable to equity owners of the Company (sen) | <b>(3.00)</b>            | (2.18)      | <b>(9.09)</b>            | (7.43)      |

**B13. Basic loss per ordinary share (continued)**

b) Diluted loss per share was calculated by dividing the 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.

|   | <b>Individual period</b> |             | <b>Cumulative period</b> |             |
|---|--------------------------|-------------|--------------------------|-------------|
|   | <b>3 months ended</b>    |             | <b>9 months ended</b>    |             |
|   | <b>30 September</b>      |             | <b>30 September</b>      |             |
|   | <b>2020</b>              | <b>2019</b> | <b>2020</b>              | <b>2019</b> |
| <b>Diluted loss per share</b>   |                          |             |                          |             |
| Loss attributable to equity owners of the Company (RM'000)                | <b>(15,854)</b>          | (11,507)    | <b>(48,072)</b>          | (39,299)    |
| Weighted average number of ordinary shares ('000)                         | <b>528,891</b>           | 528,891     | <b>528,891</b>           | 528,891     |
| Adjustment for dilutive effect of ESOS                                    | -                        | -           | -                        | -           |
| Adjusted weighted average number of ordinary shares ('000)                | <b>528,891</b>           | 528,891     | <b>528,891</b>           | 528,891     |
| Diluted loss per share attributable to equity owners of the Company (sen) | <b>(3.00)</b>            | (2.18)      | <b>(9.09)</b>            | (7.43)      |

**By Order of the Board**

**WONG WEI FONG  
TAN AI NING  
Company Secretaries**

**Kuala Lumpur  
18<sup>th</sup> November 2020  
[www.landmarks.com.my](http://www.landmarks.com.my)**