

LANDMARKS

LANDMARKS BERHAD

(Registration No. 198901007900 (185202-H))

(Incorporated in Malaysia)

Unaudited Interim Financial Report For the Third Quarter Ended 30 September 2021

LANDMARKS

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	30-September-2021 RM' 000 (Unaudited)	31-December-2020 RM' 000 (Audited)
ASSETS		
Property, plant and equipment	1,352,650	1,436,321
Intangible asset	6,027	-
Investment property	23,512	23,512
Right-of-use assets	11,361	18,839
Inventories	652,204	651,759
Investments in joint venture	38,716	40,214
Other investments	2,085	2,085
Total Non-Current Assets	2,086,555	2,172,730
Inventories	57,421	57,114
Receivables, deposits and prepayments	144,139	11,297
Current tax assets	29	298
Other investment	2,083	28
Cash and cash equivalents	12,201	54,751
Total Current Assets	215,873	123,488
TOTAL ASSETS	2,302,428	2,296,218
EQUITY		
Share capital	776,382	746,384
Reserves	188	(4,301)
Retained earnings	1,104,357	1,119,551
Total equity attributable to owners of the Company	1,880,927	1,861,634
Non-controlling Interests	713	713
Total Equity	1,881,640	1,862,347
LIABILITIES		
Loans and borrowings	107,625	116,250
Lease liabilities	2,683	8,531
Deferred tax liabilities	251,990	255,951
Derivative financial liabilities	2,000	2,000
Retirement benefits	316	3,340
Total Non-Current Liabilities	364,614	386,072
Loans and borrowings	18,240	9,526
Payables and accruals	20,819	33,415
Lease liabilities	632	3,069
Current tax liabilities	16,483	1,789
Total Current Liabilities	56,174	47,799
Total Liabilities	420,788	433,871
TOTAL EQUITY & LIABILITIES	2,302,428	2,296,218
Net Assets Per Share (RM)	2.81	3.20

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2021**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 months ended 30 September		9 months ended 30 September	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>425</u>	<u>5,356</u>	<u>3,151</u>	<u>31,252</u>
Loss from operations	(9,705)	(14,482)	(4,177)	(43,079)
Finance cost	(1,432)	(1,615)	(4,407)	(5,141)
Finance income	306	28	354	131
Operating loss	(10,831)	(16,069)	(8,230)	(48,089)
Share of net loss of joint venture, net of tax	(777)	-	(2,000)	-
Loss before taxation	(11,608)	(16,069)	(10,230)	(48,089)
Income tax income/(expense)	38	215	(5,492)	17
Loss for the period	(11,570)	(15,854)	(15,722)	(48,072)
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	2,688	(8,499)	4,718	(6,504)
Other comprehensive income/(expense) for the period, net of tax	2,688	(8,499)	4,718	(6,504)
Total comprehensive expense for the period	(8,882)	(24,353)	(11,004)	(54,576)
Loss attributable to:				
Owners of the Company	(11,570)	(15,854)	(15,722)	(48,072)
Non-controlling interests	-	-	-	-
Loss for the period	(11,570)	(15,854)	(15,722)	(48,072)
Total comprehensive expense attributable to:				
Owners of the Company	(8,882)	(24,353)	(11,004)	(54,576)
Non-controlling interests	-	-	-	-
Total comprehensive expense for the period	(8,882)	(24,353)	(11,004)	(54,576)

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

Loss for the period				
-Basic	(1.73)	(3.00)	(2.51)	(9.09)
-Diluted	(1.69)	(3.00)	(2.46)	(9.09)

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 2020 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 2021

	<-----Attributable to owners of the Company----->						
	<----- Non-distributable ----->			Distributable			
	Share Capital RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
At 1 January 2020	734,812	(7,008)	5,615	1,056,390	1,789,809	713	1,790,522
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)
Total comprehensive expense for the period	-	(6,504)	-	(48,072)	(54,576)	-	(54,576)
Share-based payment transactions	-	-	2,926	-	2,926	-	2,926
Share options forfeited	-	-	(592)	592	-	-	-
Total contribution from owners	-	-	2,334	592	2,926	-	2,926
At 30 September 2020	734,812	(13,512)	7,949	1,008,910	1,738,159	713	1,738,872
At 1 January 2021	746,384	(12,367)	8,066	1,119,551	1,861,634	713	1,862,347
Foreign currency translation differences for foreign operations	-	4,718	-	-	4,718	-	4,718
Total other comprehensive income for the period	-	4,718	-	-	4,718	-	4,718
Loss for the period	-	-	-	(15,722)	(15,722)	-	(15,722)
Total comprehensive income/(expense) for the period	-	4,718	-	(15,722)	(11,004)	-	(11,004)
Issue of shares pursuant to Employees' Share Option Scheme ("ESOS")	1,156	-	(298)	-	858	-	858
Issue of shares pursuant to acquisition of subsidiaries	28,842	-	-	-	28,842	-	28,842
Share-based payment transactions	-	-	597	-	597	-	597
Share options forfeited	-	-	(528)	528	-	-	-
Total contribution from owners	29,998	-	(229)	528	30,297	-	30,297
At 30 September 2021	776,382	(7,649)	7,837	1,104,357	1,880,927	713	1,881,640

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	30-September-2021 RM'000	30-September-2020 RM'000
Cash flows from operating activities		
Loss before taxation	(10,230)	(48,089)
Adjustments for non-cash flow		
Depreciation of property, plant and equipment	9,556	15,930
Depreciation of right-of-use assets	1,376	2,365
Dividend income from other investments	(45)	(106)
Finance costs	4,407	5,141
Finance income	(354)	(131)
(Gain)/Loss on disposal of property, plant and equipment	(481)	190
Impairment of property, plant and equipment	1,255	-
Provision for minimum wages	96	891
Gain on redemption of other investments	-	(8)
Fair value loss/(gain) on other investments	-	(1)
Property, plant and equipment written off	105,138	-
Share of net loss of an equity accounted joint venture, net of tax	2,000	-
Equity settled share-based payment transactions	597	2,926
Operating profit/(loss) before changes in working capital	113,315	(20,892)
Changes in working capital		
Retirement benefits	(3,024)	384
Inventories	1,695	77
Trade and other receivables and prepayments	(131,816)	5,012
Trade payables and others payables	(13,305)	(8,167)
Cash used in operations	(33,135)	(23,586)
Income tax paid	(94)	(604)
Income tax refunded	-	430
Net cash used in operating activities	(33,229)	(23,760)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,057)	(4,186)
Proceeds from disposal of property, plant and equipment	9	22
Proceeds from disposal of other investments	5,490	12,950
Acquisition of other investments	(7,545)	(3,306)
Acquisition of subsidiaries	(872)	-
Increase in pledge deposits placed with licensed bank	(2,029)	(62)
Interest received	354	131
Dividend received from :		
- other investments	45	106
Net cash (used in)/generated from investing activities	(6,605)	5,655
Cash flows from financing activities		
Interest paid	(4,029)	(2,075)
Interest paid on lease liabilities	(290)	(326)
Proceeds from issue of new ordinary shares pursuant to ESOS	857	-
Repayment of lease liabilities	(1,284)	(2,147)
Repayment of loans and borrowings	-	6,075
Net cash used in financing activities	(4,746)	1,527
Net decrease in cash and cash equivalents	(44,580)	(16,578)
Cash and cash equivalents at 1 January	51,127	24,001
Cash and cash equivalents at 30 September	6,547	7,423
	30-September-2021 RM'000	30-September-2020 RM'000
Cash and bank balances	6,067	7,423
Deposits with licensed banks	6,133	3,581
	12,200	11,004
Less : Pledged deposits	(5,653)	(3,581)
	6,547	7,423

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2021

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 2020. 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 2020.

A2. Changes in Accounting Policies/Estimates

The audited financial statements of the Group for the year ended 31 December 2020 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 2020. The Group has adopted the MFRSs, amendments and interpretations effective for annual period beginning on or after 1 January 2021 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 2020.

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. *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.

A7. *Dividends paid*

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

A8. *Seasonal or cyclical factors*

The Group's hotel business is generally affected by seasonal or cyclical factors. The high season for Anmon which is located in Bintan island of Indonesia generally lies in the second and last quarters of the financial year.

The continued interposition of the COVID-19 pandemic especially the international boundaries remaining generally closed in respect of Indonesia has had a material adverse effect as to generally nullify these factors for the time being for the hotel and hospitality industry worldwide even though some medical solution or health and safety measures have been put in place to reduce the impact of the pandemic and its consequent effects.

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

A9. Revenue from contracts with customers

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

	9 months ended 30 September	
	2021	2020
	RM'000	RM'000
Primary geographical markets		
Malaysia	1,036	23,929
Indonesia	2,070	7,217
	3,106	31,146
Major service lines		
Room revenue	1,636	19,306
Attraction revenue	559	1,429
Food and beverage revenue	911	10,411
	3,106	31,146
Timing and recognition		
Over time	2,195	20,735
At a point in time	911	10,411
	3,106	31,146
Revenue from contracts with customers	3,106	31,146
Other revenue	45	106
Total Revenue	3,151	31,252

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, properties and attractions |

9 months ended 30 September	Hospitality and Wellness		Resort and Destination Development		Others		Consolidated	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Segment revenue	2,547	29,584	559	1,563	45	105	3,151	31,252
Profit/(Loss) from operations	18,065	(19,625)	(17,089)	(16,487)	(5,153)	(6,967)	(4,177)	(43,079)
Finance costs	(4,123)	(4,525)	(234)	(560)	(50)	(56)	(4,407)	(5,141)
Finance income	333	128	18	3	3	-	354	131
	14,275	(24,022)	(17,305)	(17,044)	(5,200)	(7,023)	(8,230)	(48,089)
Included in the measure of segments results from operating activities are :								
- Depreciation and amortisation	(2,561)	(10,790)	(8,030)	(7,155)	(341)	(350)	(10,932)	(18,295)
Segment assets	180,305	227,549	2,116,952	2,004,222	5,171	4,941	2,302,428	2,236,712

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 30 September 2021 except for the goodwill arising from the acquisition of a parcel of land located at Treasure Bay Bintan, Bintan Island of Indonesia, a related party transaction announced previously.

A13. 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 2021 other than as mentioned below:

- (i) During the quarter under review and financial year-to-date, a total of 1,488,100 and 3,727,200 new ordinary shares respectively, were allotted and issued pursuant to the exercise of the Company's Employees Share Option Scheme.
- (ii) For the financial year-to-date, a total of 84,830,494 new ordinary shares were allotted and issued on 20 May 2021 pursuant to the acquisition of a parcel of land located at Treasure Bay Bintan, Bintan Island of Indonesia, a related party transaction announced previously.

A14. 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 except as disclosed under Part B para B7- Status of corporate proposals announced but not completed.

A15. *Contingent liabilities and contingent assets*

As at 30 September 2021, 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:-

	RM'000
Corporate guarantees granted for banking facilities of a subsidiary (note B9)	126,750

A16. *Capital and other commitments*

	30 September 2021 RM'000
Authorised but not contracted for	-
Contracted but not provided for	-
Total	-

A17. *Related party transactions*

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

A18. *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 2020.

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

B1. Review of performance for Financial Period Ended 30 September 2021 compared with Financial Period Ended 30 September 2020

The results of the Group are tabulated below:

	INDIVIDUAL PERIOD			CUMULATIVE PERIOD		
	3 months ended			9 months ended		
	30 September			30 September		
	2021	2020	Changes	2021	2020	Changes
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	425	5,356	-92	3,151	31,252	-90
Loss from operations	(9,705)	(14,482)	33	(4,177)	(43,079)	90
Finance costs	(1,432)	(1,615)	-11	(4,407)	(5,141)	14
Finance income	306	28	993	354	131	170
Operating loss	(10,831)	(16,069)	33	(8,230)	(48,089)	83
Share of net loss of joint venture	(777)	-	-100	(2,000)	-	-100
Loss before tax	(11,608)	(16,069)	28	(10,230)	(48,089)	79

(a) Quarter ended 30 September 2021 ("3Q 2021") compared with quarter ended 30 September 2020 ("3Q 2020")

The reduction in Group losses was mainly due to the following:

- (i) The Andaman incurred lower operating losses in 3Q2021 due to closure for hotel rebuilding project after the fire incident which happened on 12 Jan 2021 resulting in a reduction of staff force and lower operating expenses coupled with lower depreciation arising from the write off and impairment of the effected property, plant and equipment;
- (ii) Lower share based payment transaction incurred in Q32021 as compared to last year same quarter of RM2.26 million; and
- (iii) Treasure Bay Bintan incurred marginal higher operating losses of RM 0.88 million as compared to last year. This was mainly due to one-off job support scheme from Singapore Government of RM0.36 million and reversal of prior year's salary deferment amounting to RM0.47 million.

(b) Financial period ended 30 September 2021 compared with financial period ended 30 September 2020

The reduction in Group losses was mainly due to the following:

- (i) The Andaman recognized estimated insurance receivables of RM140.0 million. At the same time affected property, plant and equipment amounting to RM 106.38 million were written off and impaired consequent to the fire incident which happened in January 2021; and
- (ii) Treasure Bay Bintan's incurred lower operating loss after disposal of Natra Bintan in end of Q4 2020.

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

	2021 3rd Quarter RM'000	2021 2nd Quarter RM'000	Changes %
Revenue	425	774	-45
Loss from operations	(9,705)	(10,859)	-11
Finance costs	(1,432)	(1,455)	2
Finance income	306	19	1,511
Operating loss	(10,831)	(12,295)	-12
Share of net loss of joint venture	(777)	(621)	-25
Loss before tax	(11,608)	(12,916)	-10

The lower group losses before tax in the current quarter were mainly due to The Andaman incurring lower operating expenses resulting from the reduction of staff force following the fire incident which happened on 12 Jan 2021.

B3. Prospects

With the increasing vaccination rate around the world, the global economy has started to see progressive recovery through many countries opening their borders for business and tourism travelling. The opening of tourism hotspots like Phuket Thailand using Phuket Sandbox arrangements and Bali Indonesia by its Vaccinated Travel Lanes has seen encouraging tourists' traffic into the two destinations. The surge in tourism demand has been encouraging and we foresee the demand to travel will continue to increase as countries continue to take steps to ease the restrictions previously imposed on overseas travelers.

Our resorts in Treasure Bay Bintan have experienced an increase in both occupancy and room rate recently. Even though the domestic market is our main focus now, we are ready to welcome our guests from Singapore when the border is opened. The Indonesia government and the local authorities in Bintan have been in active discussions with the Singapore Economic Development Board and Singapore Tourism Board to open the travelling lane between Singapore and Bintan. We expect there will be a surge in demand of our resorts should this happen.

B3. Prospects (continued)

The claims for the fire losses of The Andaman are making good progress. The designer team has started work on designing the new resorts and we aim to start the construction in 1st quarter 2022. The rebuilding and restoration process will take approximately 24 to 30 months.

The Group continues to carry out its cost control and rationalization programs. Further steps are also being taken to improve as well as contain costs and to manage the Group's cashflow. The Company is still exploring and evaluating on the options available to regularize the company's affected listed issuer status.

B4. Profit forecast

Not applicable as no profit forecast was announced or disclosed

B5. Profit before tax

	Current Year Quarter 30 September 2021 RM'000	Current Year To-date 30 September 2021 RM'000
Loss before tax is arrived at after charging/(crediting):-		
Gross dividend income from short term Investments	(12)	(45)
Depreciation and amortization	3,299	10,932
Loss on foreign exchange	120	64
Reversal of impairment loss on trade receivables	-	(41)
Property, plant and equipment written off	3	105,128
Impairment property, plant and equipment	-	1,255
Other income- estimated insurance claims receivable	-	(140,000)
Inventories written down	-	-
Gain on disposal of quoted/unquoted investments or properties	-	-
Fair value gain on derivative instruments	-	-

B6. Income tax (income)/expense

	Current period		Cumulative period	
	3 months ended		9 months ended	
	30 September		30 September	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Income tax charge				
- Malaysia	(560)	(25)	15,040	-
- Overseas	5	3	16	85
Deferred Taxation	517	(193)	(9,564)	(102)
	<u>(38)</u>	<u>(215)</u>	<u>5,492</u>	<u>(17)</u>

The effective tax rate of the Group was higher than the statutory tax rate for the financial year-to-date due to the fact that losses incurred by certain subsidiaries could not be set off against the taxable profit of a wholly owned subsidiary.

B7. Status of corporate proposals announced but not completed

There was no corporate proposal announced but not completed at the date of this quarterly report other than as mentioned below:

On 1 October 2021, the Company had announced the following proposals:

(a) Tiara Gateway Pte Ltd ("TGPL"), a subsidiary of the Company, had on 1 October 2021 entered into a conditional share sale agreement ("Mendol SSA") with Blumont Group Ltd ("Blumont") for the proposed disposal of 2,385,514 ordinary shares in Mendol Investments Pte Ltd ("Mendol"), representing the remaining 49% equity interest held by TGPL in Mendol to Blumont for a consideration of approximately SGD14.38 million (equivalent to RM44.24 million) ("Proposed Disposal of Mendol"); and

(b) TGPL, had on 1 October 2021 entered into another conditional share sale agreement ("Seychelles SSA") with Blumont for the disposal of:

(i) 100% equity interest in Hinako Investments Pte Ltd ("Hinako"), a wholly-owned subsidiary of TGPL, to Blumont, for a consideration of approximately SGD13.73 million (equivalent to RM42.26 million) ("Proposed Disposal of Hinako");

B7. Status of corporate proposals announced but not completed (continued)

- (ii) 60% equity interest in Prime Holdings Pte Ltd ("Prime"), a wholly-owned subsidiary of TGPL, to Blumont, for a consideration of approximately SGD15.57 million (equivalent to RM47.92 million) ("Proposed Disposal of Prime");
- (iii) 60% equity interest in Enggano Investments Pte Ltd ("Enggano"), a wholly-owned subsidiary of TGPL, to Blumont, for a consideration of approximately SGD12.82 million (equivalent to RM39.46 million) ("Proposed Disposal of Enggano"); and
- (iv) 60% equity interest in Mesawak Investments Pte Ltd ("Mesawak"), a wholly-owned subsidiary of TGPL, to Blumont, for a consideration of approximately SGD6.90 million (equivalent to RM21.23 million) ("Proposed Disposal of Mesawak"),

(Item (a) and (b) collectively referred to as "Proposed Disposals")

The Proposed Disposals amounting to a total aggregate of approximately SGD63.40 million (equivalent to RM195.10 million) ("Disposal Considerations") are to be satisfied via the issuance of 12,680,116,600 new ordinary shares in Blumont ("Blumont Shares") at an issue price of SGD0.005 (equivalent to approximately RM0.015) per Blumont Share ("Issue Price"), subject to the terms and conditions as set out in Mendol SSA and Seychelles SSA.

(Mendol SSA and Seychelles SSA are collectively referred to as "SSAs")

(Mendol, Hinako, Prime, Enggano and Mesawak are collectively referred to as "Target Companies")

(The total of 12,680,116,600 Blumont Shares issued are collectively referred to "Consideration Shares")

In view of the disclosure of interest over the Proposed Disposals by director and major shareholder of the Company, Mark Wee Liang Yee ("Mark Wee"), as set out in Section 8 of this announcement, the Proposed Disposals are deemed as related party transactions pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

The Proposed Disposals are subject to the approvals being obtained from the following:

- (i) the non-interested shareholders of the Company at an extraordinary general meeting ("EGM") to be convened;

B7. Status of corporate proposals announced but not completed (continued)

- (ii) the shareholders of Blumont for the acquisition of the Target Companies and the issuance of the Consideration Shares; and
- (iii) any other relevant authorities/parties, if required.

The Proposed Disposals are not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

B8. Changes in material litigation

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

B9. Loans and borrowings

The Group's borrowings are all secured as follows:

	As at 30 September 2021 RM'000	As at 30 September 2020 RM'000
Short term borrowings - Secured		
Term loans	18,240	9,829
	<u>18,240</u>	<u>9,829</u>
Long term borrowings - Secured		
Term loans	107,625	117,770
	<u>107,625</u>	<u>117,770</u>
Total borrowings	<u>125,865</u>	<u>127,599</u>

The term loan of RM126.75 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 except as disclosed below.

Type of Derivatives	Contract/Notional Value as at the date of the Statement of Financial Position (RM'000)	Fair Value as at the date of the Statement of Financial Position (RM'000)
Put Option - Profit Guarantee Contract		
- Less than 1 year	-	-
- 1 year to 3 years	2,751	2,000
- More than 3 years	-	-

B11. Fair value changes of financial liabilities

The Group does not have any material 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 2021.

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

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.

	Individual period		Cumulative period	
	3 months ended		9 months ended	
	30 September		30 September	
	2021	2020	2021	2020
Basic loss per share				
Loss attributable to equity owners of the Company (RM'000)	(11,570)	(15,854)	(15,722)	(48,072)
Weighted average number of ordinary shares ('000)	670,093	528,891	625,199	528,891
Basic loss per share attributable to equity owners of the Company (sen)	(1.73)	(3.00)	(2.51)	(9.09)

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

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.

	Individual period		Cumulative period	
	3 months ended		9 months ended	
	30 September		30 September	
	2021	2020	2021	2020
Diluted loss per share				
Loss attributable to equity owners of the Company (RM'000)	(11,570)	(15,854)	(15,722)	(48,072)
Weighted average number of ordinary shares ('000)	670,093	528,891	625,199	528,891
Adjustment for dilutive effect of ESOS	13,046	-	14,615	-
Adjusted weighted average number of ordinary shares ('000)	683,139	528,891	639,814	528,891
Diluted loss per share attributable to equity owners of the Company (sen)	(1.69)	(3.00)	(2.46)	(9.09)

By Order of the Board

TAN AI NING
TAI YIT CHAN
Company Secretaries

Kuala Lumpur
17th November 2021
www.landmarks.com.my