

LANDMARKS

LANDMARKS BERHAD

(Registration No. 198901007900 (185202-H))

(Incorporated in Malaysia)

Unaudited Interim Financial Report For the Fourth Quarter Ended 31 December 2021

LANDMARKS

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	31-December-2021 RM' 000 (Unaudited)	31-December-2020 RM' 000 (Audited)
ASSETS		
Property, plant and equipment	1,260,570	1,436,321
Investment property	23,632	23,512
Right-of-use assets	11,166	18,839
Inventories	688,588	651,759
Investments in joint venture	38,650	40,214
Other investments	2,085	2,085
Total Non-Current Assets	2,024,691	2,172,730
Inventories	105,089	57,114
Receivables, deposits and prepayments	128,797	11,297
Current tax assets	29	298
Other investment	-	28
Cash and cash equivalents	20,992	54,751
Total Current Assets	254,907	123,488
TOTAL ASSETS	2,279,598	2,296,218
EQUITY		
Share capital	776,696	746,384
Reserves	486	(4,301)
Retained earnings	1,087,656	1,119,551
Total equity attributable to owners of the Company	1,864,838	1,861,634
Non-controlling Interests	713	713
Total Equity	1,865,551	1,862,347
LIABILITIES		
Loans and borrowings	-	116,250
Lease liabilities	2,529	8,531
Deferred tax liabilities	247,498	255,951
Derivative financial liabilities	2,000	2,000
Retirement benefits	315	3,340
Total Non-Current Liabilities	252,342	386,072
Loans and borrowings	125,895	9,526
Payables and accruals	20,009	33,415
Lease liabilities	631	3,069
Current tax liabilities	15,170	1,789
Total Current Liabilities	161,705	47,799
Total Liabilities	414,047	433,871
TOTAL EQUITY & LIABILITIES	2,279,598	2,296,218
Net Assets Per Share (RM)	2.78	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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2021**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 months ended 31 December		12 months ended 31 December	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>2,429</u>	<u>6,713</u>	<u>5,580</u>	<u>37,965</u>
(Loss)/Profit from operations	(15,385)	41,118	(19,562)	(1,961)
Finance cost	(1,433)	(1,095)	(5,840)	(6,236)
Finance income	17	34	371	165
Operating (loss)/profit	(16,801)	40,057	(25,031)	(8,032)
Share of net loss of joint venture, net of tax	(168)	-	(2,168)	-
(Loss)/Profit before taxation	(16,969)	40,057	(27,199)	(8,032)
Income tax (expense)/income	198	70,429	(5,294)	70,446
(Loss)/Profit for the period	(16,771)	110,486	(32,493)	62,414
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	<u>256</u>	<u>1,145</u>	<u>4,974</u>	<u>(5,359)</u>
Other comprehensive income/(expense) for the period, net of tax	256	1,145	4,974	(5,359)
Total comprehensive (expense)/income for the period	(16,515)	111,631	(27,519)	57,055
(Loss)/Profit attributable to:				
Owners of the Company	(16,771)	110,486	(32,493)	62,414
Non-controlling interests	-	-	-	-
(Loss)/Profit for the period	(16,771)	110,486	(32,493)	62,414
Total comprehensive expense attributable to:				
Owners of the Company	(16,515)	111,631	(27,519)	57,055
Non-controlling interests	-	-	-	-
Total comprehensive (expense)/income for the period	(16,515)	111,631	(27,519)	57,055

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

(Loss)/Profit for the period				
-Basic	(2.50)	19.63	(5.10)	11.61
-Diluted	(2.46)	19.37	(5.00)	11.57

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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 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	-	(5,359)	-	-	(5,359)	-	(5,359)
Total other comprehensive expense for the period	-	(5,359)	-	-	(5,359)	-	(5,359)
Loss for the period	-	-	-	62,414	62,414	-	62,414
Total comprehensive expense for the period	-	(5,359)	-	62,414	57,055	-	57,055
Issue of new ordinary shares	11,636	-	-	-	11,636	-	11,636
Share issue expenses	(64)	-	-	-	(64)	-	(64)
Share-based payment transactions	-	-	3,198	-	3,198	-	3,198
Share options forfeited	-	-	(747)	747	-	-	-
Total contribution from owners	11,572	-	2,451	747	14,770	-	14,770
At 31 December 2020	746,384	(12,367)	8,066	1,119,551	1,861,634	713	1,862,347
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	-	4,974	-	-	4,974	-	4,974
Total other comprehensive income for the period	-	4,974	-	-	4,974	-	4,974
Loss for the period	-	-	-	(32,493)	(32,493)	-	(32,493)
Total comprehensive income/(expense) for the period	-	4,974	-	(32,493)	(27,519)	-	(27,519)
Issue of shares pursuant to Employees' Share Option Scheme ("ESOS")	1,470	-	(379)	-	1,091	-	1,091
Issue of shares pursuant to acquisition of subsidiaries	28,842	-	-	-	28,842	-	28,842
Share-based payment transactions	-	-	790	-	790	-	790
Share options forfeited	-	-	(598)	598	-	-	-
Total contribution from owners	30,312	-	(187)	598	30,723	-	30,723
At 31 December 2021	776,696	(7,393)	7,879	1,087,656	1,864,838	713	1,865,551

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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2021

	31-December-2021	31-December-2020
	RM'000	RM'000
Cash flows from operating activities		
Loss before taxation from:		
- continuing operations	(27,199)	(8,032)
- discontinued operations	-	-
	(27,199)	(8,032)
Adjustments for non-cash flow		
Depreciation of property, plant and equipment	14,223	21,639
Depreciation of right-of-use assets	1,581	3,141
Dividend income from other investments	(47)	(106)
Finance costs	5,840	6,236
Finance income	(371)	(165)
(Gain)/Loss on disposal of property, plant and equipment	(480)	230
Impairment loss of property, plant and equipment	1,255	-
Impairment loss on investment property	-	6,250
Provision for minimum wages	(142)	-
Gain on redemption of other investments	(1)	(8)
Fair value gain on other investments	-	(1)
Property, plant and equipment written off	110,602	-
Share of net loss of an equity accounted joint venture, net of tax	2,168	-
Total gain on disposal of subsidiaries	-	(61,712)
Equity settled share-based payment transactions	790	3,198
Operating profit/(loss) before changes in working capital	108,219	(29,330)
Changes in working capital		
Retirement benefits	(3,025)	262
Inventories	(59)	242
Trade and other receivables and prepayments	(116,474)	4,644
Trade payables and others payables	(11,629)	(3,260)
Cash used in operations	(22,968)	(27,442)
Income tax paid	(94)	(931)
Income tax refunded	-	430
Net cash used in operating activities	(23,062)	(27,943)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,088)	(6,595)
Addition in investment property	(120)	-
Acquisition of other investments	(7,547)	(3,305)
Acquisition of subsidiaries	(872)	-
Proceeds from disposal of property, plant and equipment	9	59
Proceed from disposal of subsidiaries, net of cash and cash equivalents disposed off	-	41,841
Proceeds from disposal of other investments	7,577	12,950
Increase in pledge deposits placed with licensed bank	(15,011)	(105)
Interest received	371	165
Dividend received from :		
- other investments	47	106
Net cash (used in)/generated from investing activities	(19,634)	45,116
Cash flows from financing activities		
Interest paid	(5,391)	(3,024)
Interest paid on lease liabilities	(330)	(827)
Net proceeds from issue of new ordinary shares	-	11,572
Proceeds from issue of new ordinary shares pursuant to ESOS	1,091	-
Repayment of lease liabilities	(1,443)	(2,518)
Net proceed from loans and borrowings	-	4,750
Net cash (used in)/generated from financing activities	(6,073)	9,953
Net (decrease)/increase in cash and cash equivalents	(48,769)	27,126
Cash and cash equivalents at 1 January	51,127	24,001
Cash and cash equivalents at 31 December	2,358	51,127
	31-December-2021	31-December-2020
	RM'000	RM'000
Cash and bank balances	2,358	47,565
Deposits with licensed banks	18,635	7,186
	20,992	54,751
Less : Pledged deposits	(18,635)	(3,624)
	2,357	51,127

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 31 December 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:

	12 months ended 31 December	
	2021	2020
	RM'000	RM'000
Primary geographical markets		
Malaysia	1,037	28,218
Indonesia	4,496	9,641
	5,533	37,859
Major service lines		
Room revenue	2,673	23,075
Attraction revenue	1,443	2,010
Food and beverage revenue	1,417	12,774
	5,533	37,859
Timing and recognition		
Over time	4,115	25,085
At a point in time	1,418	12,774
	5,533	37,859
Revenue from contracts with customers	5,533	37,859
Other revenue	47	106
Total Revenue	5,580	37,965

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 |

12 months ended 31 December	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	4,090	35,849	1,443	2,010	47	106	5,580	37,965
Profit/(Loss) from operations	11,566	33,219	(24,211)	(27,185)	(6,917)	(7,995)	(19,562)	(1,961)
Finance costs	(5,516)	(5,413)	(258)	(747)	(66)	(76)	(5,840)	(6,236)
Finance income	349	150	20	8	2	7	371	165
	6,399	27,956	(24,449)	(27,924)	(6,981)	(8,064)	(25,031)	(8,032)
Included in the measure of segments results from operating activities are :								
- Depreciation and amortisation	(8,407)	(14,962)	(6,949)	(9,351)	(449)	(467)	(15,805)	(24,780)
Segment assets	173,598	229,704	2,103,202	2,058,004	2,798	8,510	2,279,598	2,296,218

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

A11. *Property, plant and equipment*

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

A12. *Intangible asset*

There was no additional purchase of intangible asset for the financial period ended 31 December 2021.

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 31 December 2021 other than as mentioned below:

- (i) During the quarter under review and financial year-to-date, a total of 1,014,900 and 4,742,100 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 31 December 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

	31 December 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 except as disclosed under B7 Status of corporate proposals announced but not completed.

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 31 December 2021 compared with Financial Period Ended 31 December 2020

The results of the Group are tabulated below:

	INDIVIDUAL PERIOD			CUMULATIVE PERIOD		
	3 months ended			12 months ended		
	31 December			31 December		
	2021	2020	Changes	2021	2020	Changes
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	2,429	6,713	-64	5,580	37,965	-85
(Loss)/Profit from operations	(15,385)	41,118	-137	(19,562)	(1,961)	898
Finance costs	(1,433)	(1,095)	31	(5,840)	(6,236)	6
Finance income	17	34	-50	371	165	125
Operating (loss)/profit	(16,801)	40,057	-142	(25,031)	(8,032)	-212
Share of net loss of joint venture	(168)	-	-100	(2,168)	-	-100
(Loss)/Profit before tax	(16,969)	40,057	-142	(27,199)	(8,032)	-239

(a) Quarter ended 31 December 2021 ("4Q 2021") compared with quarter ended 31 December 2020 ("4Q 2020")

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

- (i) The Andaman incurred higher operating losses in 4Q2021 due to additional write off of the affected property, plant and equipment of RM3.49 million;
- (ii) One-off fair value gain and gain on disposal of subsidiaries amounting to RM63.71 million and which were partly negated by impairment loss on investment property of RM6.25 million in same quarter of preceding year.

(b) Financial period ended 31 December 2021 compared with financial period ended 31 December 2020

The increase 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 109.88 million were written off and impaired consequent to the fire incident which happened in January 2021; and
- (ii) Treasure Bay Bintan incurred lower operating loss after disposal of Natra Bintan in end of Q4 2020; and
- (iii) One-off gain and fair value gain on disposal of subsidiaries of RM63.71 million and which were partly negated by impairment loss on investment property of RM6.25 million in preceding year.

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 4th Quarter RM'000	2021 3rd Quarter RM'000	Changes %
Revenue	2,429	425	472
Loss from operations	(15,385)	(9,705)	-59
Finance costs	(1,433)	(1,432)	0
Finance income	17	306	-94
Operating loss	(16,801)	(10,831)	-55
Share of net loss of joint venture	(168)	(777)	78
Loss before tax	(16,969)	(11,608)	-46

The higher group losses before tax in the current quarter were mainly due to additional RM5.47 million writing off of the affected property, plant and equipment due to The Andaman fire incident in January 2021 and work in progress which has become redundant.

B3. Prospects

The recent spike in new Covid-19 cases and the advent of new variants like Omicron has seen governments around the world taking precautionary measures to control the spread. This has dampened the relaxation of border controls and opening up of most economies worldwide. Even though the Omicron variant becoming endemic may cause less severe disease, the public are generally wary of being infected and are minimizing travelling and social activities which in turn is negatively impacting the tourism and hospitality industry. However, the increasing vaccination rate to be up to date around the world and improvement of treatment options being made available against Covid-19 encouraged countries to open their borders for business and tourism travelling.

The travel bubble between Singapore and Bintan will start on 25 February 2022. This will allow travellers between the 2 destinations to enter the designated bubble area without the need to quarantine. Active co-operation with the local government in promoting Bintan both locally and Singapore has seen some positive impact to the resorts and tourism industry. Even though we have yet to see the volume of arrival of Singapore tourists rise as in the heydays, our resorts in Treasure Bay Bintan have experienced an increase in both occupancy and room rate recently from domestic guests. More efforts will be put in by management to attract visitors to our resorts in Treasure Bay Bintan. Strict SOPs are in place to safeguard the well-being and safety of our visitors and staff and we at Treasure Bay Bintan are ready to welcome our international guests when the demand starts picking up.

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

B3. Prospects (continued)

The insurance claims for the fire losses of The Andaman, Langkawi are making good progress. The design of the new resorts at our razed site in Langkawi is in progress and we aim to start the construction in 2nd quarter 2022. Negotiations with prospective bankers to finance the rebuilding of the new resorts are also making encouraging progress. The rebuilding and restoration process of the new resorts will take approximately 24 to 36 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 actively 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 31 December 2021 RM'000	Current Year To-date 31 December 2021 RM'000
Loss before tax is arrived at after charging/(crediting):-		
Gross dividend income from short term Investments	(2)	(47)
Depreciation and amortization	4,872	15,804
Loss on foreign exchange	171	235
Reversal of impairment loss on trade receivables	(1)	(42)
Property, plant and equipment written off	5,474	110,602
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	-	-

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

B6. Income tax (income)/expense

	Current period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Income tax charge				
- Malaysia	(1,331)	245	13,709	245
- Overseas	21	23	37	108
Deferred Taxation	1,112	(70,697)	(8,452)	(70,799)
	<u>(198)</u>	<u>(70,429)</u>	<u>5,294</u>	<u>(70,446)</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 31 December 2021 RM'000	As at 31 December 2020 RM'000
Short term borrowings - Secured		
Term loans	125,895	9,526
	<u>125,895</u>	<u>9,526</u>
Long term borrowings - Secured		
Term loans	-	116,250
	<u>-</u>	<u>116,250</u>
Total borrowings	<u>125,895</u>	<u>125,776</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 31 December 2021.

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

B13. Basic (loss)/earnings per ordinary share

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

	Individual period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2021	2020	2021	2020
Basic (loss)/earnings per share				
(Loss)/Profit attributable to equity owners of the Company (RM'000)	(16,771)	110,486	(32,493)	62,414
Weighted average number of ordinary shares ('000)	671,000	562,809	636,743	537,417
Basic (loss)/earnings per share attributable to equity owners of the Company (sen)	(2.50)	19.63	(5.10)	11.61

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

B13. Basic (loss)/earnings per ordinary share (continued)

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

	Individual period 3 months ended 31 December		Cumulative period 12 months ended 31 December	
	2021	2020	2021	2020
Diluted (loss) /earnings per share				
(Loss)/Profit attributable to equity owners of the Company (RM'000)	(16,771)	110,486	(32,493)	62,414
Weighted average number of ordinary shares ('000)	671,000	562,809	636,743	537,417
Adjustment for dilutive effect of ESOS	9,622	7,718	13,290	2,067
Adjusted weighted average number of ordinary shares ('000)	680,622	570,527	650,033	539,484
Diluted (loss)/earnings per share attributable to equity owners of the Company (sen)	(2.46)	19.37	(5.00)	11.57

By Order of the Board

**TAN AI NING
NELSON FOO CHEAN EE
Company Secretaries**

**Kuala Lumpur
23rd February 2022
www.landmarks.com.my**