

LANDMARKS

LANDMARKS BERHAD

(Registration No. 198901007900 (185202-H))

(Incorporated in Malaysia)

Unaudited Interim Financial Report For the First Quarter Ended 31 March 2022

LANDMARKS

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	31-March-2022 RM' 000 (Unaudited)	31-December-2021 RM' 000 (Audited)
ASSETS		
Property, plant and equipment	1,257,565	1,260,570
Investment property	23,632	23,632
Right-of-use assets	10,980	11,166
Inventories	688,588	688,588
Investments in joint venture	38,248	38,650
Other investments	2,085	2,085
Total Non-Current Assets	2,021,098	2,024,691
Inventories	105,148	105,089
Receivables, deposits and prepayments	88,504	123,652
Current tax assets	29	29
Cash and cash equivalents	55,872	20,992
Total Current Assets	249,553	249,762
TOTAL ASSETS	2,270,651	2,274,453
EQUITY		
Share capital	776,746	776,696
Reserves	833	486
Retained earnings	1,079,469	1,085,656
Total equity attributable to owners of the Company	1,857,048	1,862,838
Non-controlling Interests	713	713
Total Equity	1,857,761	1,863,551
LIABILITIES		
Lease liabilities	2,378	2,529
Deferred tax liabilities	247,220	247,498
Derivative financial liabilities	-	2,000
Retirement benefits	279	315
Total Non-Current Liabilities	249,877	252,342
Loans and borrowings	125,925	125,895
Payables and accruals	19,582	16,864
Derivative financial liabilities	2,000	-
Lease liabilities	624	631
Current tax liabilities	14,882	15,170
Total Current Liabilities	163,013	158,560
Total Liabilities	412,890	410,902
TOTAL EQUITY & LIABILITIES	2,270,651	2,274,453
Net Assets Per Share (RM)	2.77	2.77

The unaudited condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 THREE MONTHS PERIOD ENDED 31 MARCH 2022**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 months ended		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>2,034</u>	<u>1,952</u>	<u>2,034</u>	<u>1,952</u>
(Loss)/Profit from operations	(5,149)	16,387	(5,149)	16,387
Finance cost	(1,394)	(1,520)	(1,394)	(1,520)
Finance income	95	29	95	29
Operating (loss)/profit	(6,448)	<u>14,896</u>	(6,448)	<u>14,896</u>
Share of loss of an equity-accounted joint venture, net of tax	(664)	(602)	(664)	(602)
(Loss)/Profit before taxation	(7,112)	<u>14,294</u>	(7,112)	<u>14,294</u>
Income tax income/(expense)	828	(14,531)	828	(14,531)
Loss for the period	(6,284)	<u>(237)</u>	(6,284)	<u>(237)</u>
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	406	1,395	406	1,395
Other comprehensive income for the period, net of tax	406	1,395	406	1,395
Total comprehensive (expense)/income for the period	(5,878)	<u>1,158</u>	(5,878)	<u>1,158</u>
Loss attributable to:				
Owners of the Company	(6,284)	(237)	(6,284)	(237)
Non-controlling interests	-	-	-	-
Loss for the period	(6,284)	<u>(237)</u>	(6,284)	<u>(237)</u>
Total comprehensive (expense)/income attributable to:				
Owners of the Company	(5,878)	1,158	(5,878)	1,158
Non-controlling interests	-	-	-	-
Total comprehensive (expense)/income for the period	(5,878)	<u>1,158</u>	(5,878)	<u>1,158</u>

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

Loss for the period

-Basic	(0.94)	(0.04)	(0.94)	(0.04)
-Diluted	(0.94)	(0.04)	(0.94)	(0.04)

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 2021 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 THREE MONTHS PERIOD ENDED 31 MARCH 2022

<-----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 2021	746,384	(12,367)	8,066	1,119,551	1,861,634	713	1,862,347
Foreign currency translation differences for foreign operations	-	1,395	-	-	1,395	-	1,395
Total other comprehensive income for the period	-	1,395	-	-	1,395	-	1,395
Loss for the period	-	-	-	(237)	(237)	-	(237)
Total comprehensive income/(expense) for the period	-	1,395	-	(237)	1,158	-	1,158
Issue of shares pursuant to Employees' Share Option Scheme ("ESOS")	13	-	-	-	13	-	13
ESOS exercised	4	-	(4)	-	-	-	-
Share-based payment transactions	-	-	204	-	204	-	204
Share options forfeited	-	-	(333)	333	-	-	-
Total contribution from owners of the Company	17	-	(133)	333	217	-	217
At 31 March 2021	746,401	(10,972)	7,933	1,119,647	1,863,009	713	1,863,722
At 1 January 2022	776,696	(7,393)	7,879	1,085,656	1,862,838	713	1,863,551
Foreign currency translation differences for foreign operations	-	406	-	-	406	-	406
Total other comprehensive income for the period	-	406	-	-	406	-	406
Loss for the period	-	-	-	(6,284)	(6,284)	-	(6,284)
Total comprehensive income/(expense) for the period	-	406	-	(6,284)	(5,878)	-	(5,878)
Issue of shares pursuant to Employees' Share Option Scheme ("ESOS")	37	-	-	-	37	-	37
ESOS exercised	13	-	(13)	-	-	-	-
Share-based payment transactions	-	-	51	-	51	-	51
Share options forfeited	-	-	(97)	97	-	-	-
Total contribution from owners of the Company	50	-	(59)	97	88	-	88
At 31 March 2022	776,746	(6,987)	7,820	1,079,469	1,857,048	713	1,857,761

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 2021 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 THREE MONTHS PERIOD ENDED 31 MARCH 2022

	31-March-2022 RM'000	31-March-2021 RM'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(7,112)	14,294
Adjustments for non-cash flow		
Depreciation of property, plant and equipment	3,565	3,545
Depreciation of right-of-use assets	201	776
Dividend income from other investments	-	(16)
Finance costs	1,394	1,520
Finance income	(95)	(29)
(Gain)/Loss on disposal of property, plant and equipment	(209)	1
Impairment loss of property, plant and equipment	-	1,255
Insurance claim	-	(140,000)
Provision for minimum wages	-	96
Fair value gain on other investments	-	5
Property, plant and equipment written off	28	104,909
Share of loss of an equity-accounted joint venture, net of tax	664	602
Equity settled share-based payment transactions	51	204
Operating loss before changes in working capital	(1,513)	(12,838)
Changes in working capital		
Retirement benefits	(36)	(3,032)
Inventories	(354)	1,822
Trade and other receivables and prepayments	148	(389)
Trade payables and others payables	2,643	(6,262)
Cash generated from/(used in) operations	888	(20,699)
Income tax paid	(8)	(43)
Income tax refunded	269	-
Net cash generated from/(used in) operating activities	1,149	(20,742)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(74)	(213)
Proceeds from disposal of property, plant and equipment	209	1
Proceeds from disposal of other investments	-	(5,116)
Proceeds from insurance claim	35,000	-
Increase in pledged deposits placed with licensed bank	(34,008)	-
Interest received	95	29
Dividend received from :		
- other investments	-	16
Net cash generated from/(used in) investing activities	1,222	(5,283)
Cash flows from financing activities		
Interest paid	(1,328)	(1,342)
Interest paid on lease liabilities	(36)	(149)
Proceeds from issue of new ordinary shares pursuant to ESOS	37	13
Repayment of lease liabilities	(173)	(729)
Net cash used in financing activities	(1,500)	(2,207)
Net increase/(decrease) in cash and cash equivalents	871	(28,232)
Cash and cash equivalents at 1 January	2,358	51,127
Cash and cash equivalents at 31 March	3,229	22,895
	31-March-2022 RM'000	31-March-2021 RM'000
Cash and bank balances	3,229	22,644
Deposits with licensed banks	52,643	3,875
Less : Pledged deposits	(52,643)	(3,624)
	3,229	22,895

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS BERHAD (“LANDMARKS” OR “THE COMPANY”)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 March 2022

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 2021. 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 2021.

A2. *Changes in Accounting Policies/Estimates*

The audited financial statements of the Group for the year ended 31 December 2021 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 2021. The Group has adopted the MFRSs, amendments and interpretations effective for annual period beginning on or after 1 January 2022 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

The auditors had expressed their unqualified opinion with material uncertainty related to going concern in the Audited Financial Statements of the Company for the financial year ended 31 December 2021.

Extract of the Auditors' Report:

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) to the financial statements, which indicates that the Group and the Company incurred net losses for the year ended 31 December 2021 of RM34.5 million and RM4.3 million respectively from its operations. As at that date, the Company's current liabilities exceeded its current assets by RM74.8 million. The Group's and the Company's financial performance and operations were impacted by the fire incident in The Andaman and the COVID-19 pandemic. These events or conditions, along with the matters as set forth in Note 1(b) to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group and of the Company to continue as a going concerns.

The ability of the Group and the Company to operate as going concerns and to attain sufficient funds to pay their obligations as and when they are due are dependent on the following:

- continuous financial support from the bank;
- the ability of the Group and the Company to raise additional financing to refinance the term loan and to redevelop The Andaman. The redevelopment of The Andaman and recommencement of operations are in turn dependent on the recovery of the tourism industry, geopolitics and other economic factors, which may affect the final investment decision of the Directors; and
- the successful completion of the Proposed Disposals of the joint venture and subsidiaries of the Group (as discussed in Note 31.3).

Our opinion is not modified in respect of this matter.

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. This has been generally nullified for the time being due to the Covid-19 pandemic. With country borders being re-opened now because of availability of mass vaccinations and medicines to treat COVID-19 infections including safety measures put in place, the hospitality industry foresees a gradual improvement in business with tourism arrival in our operational resorts back to normal in the foreseeable future.

**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:

	3 months ended 31 March	
	2022	2021
	RM'000	RM'000
Primary geographical markets		
Malaysia	-	1,035
Indonesia	2,034	901
	<u>2,034</u>	<u>1,936</u>
Major service lines		
Room revenue	1,033	1,135
Attraction revenue	597	186
Food and beverage revenue	404	615
	<u>2,034</u>	<u>1,936</u>
Timing and recognition		
Over time	1,630	1,321
At a point in time	404	615
	<u>2,034</u>	<u>1,936</u>
Revenue from contracts with customers	2,034	1,936
Other revenue	-	16
Total Revenue	<u>2,034</u>	<u>1,952</u>

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 |

3 months ended 31 March	Hospitality and Wellness		Resort and Destination Development		Others		Consolidated	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Segment revenue	1,437	1,750	597	186	-	16	2,034	1,952
Profit/(Loss) from operations	(1,147)	26,151	(5,884)	(8,138)	1,882	(1,626)	(5,149)	16,387
Finance costs	(1,358)	(1,359)	(23)	(144)	(13)	(17)	(1,394)	(1,520)
Finance income	93	16	1	10	1	3	95	29
	(2,412)	24,808	(5,906)	(8,272)	1,870	(1,640)	(6,448)	14,896
Included in the measure of segments results from operating activities are :								
- Depreciation and amortisation	(1,787)	(1,030)	(1,882)	(3,174)	(97)	(117)	(3,766)	(4,321)
Segment assets	169,600	189,568	2,097,483	2,102,231	3,568	10,250	2,270,651	2,302,049

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

A11. *Property, plant and equipment*

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

A12. *Intangible asset*

There was no additional purchase of intangible asset for the financial period ended 31 March 2022.

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 March 2022 other than as mentioned below:

During the quarter under review, a total of 161,800 new ordinary shares respectively, were allotted and issued pursuant to the exercise of the Company's Employees Share Option Scheme.

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 March 2022, 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 March 2022 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 2021.

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

B1. Review of performance for Financial Period Ended 31 March 2022 compared with Financial Period Ended 31 March 2021

The results of the Group are tabulated below:

	INDIVIDUAL PERIOD		Changes (%)
	3 months ended 31 March		
	2022 RM'000	2021 RM'000	
Revenue	<u>2,034</u>	<u>1,952</u>	4
(Loss)/Profit from operations	(5,149)	16,387	-131
Finance costs	(1,394)	(1,520)	8
Finance income	95	29	228
Operating (loss)/profit	(6,448)	14,896	-143
Share of loss of an equity- accounted joint venture, net of tax	(664)	(602)	-10
(Loss)/Profit before tax	(7,112)	14,294	-150

Quarter ended 31 March 2022 ("1Q 2022") compared with quarter ended 31 March 2021 ("1Q 2021")

The Group recorded loss before tax ("LBT") of RM7.11 million for 1Q 2022 as compared to profit before tax of RM14.29 million for 1Q 2021. The change was mainly due to an estimated insurance claim receivable of RM140.0million with corresponding property, plant and equipment written off/impaired amounting to RM106.16 million in the same quarter of the preceding year after occurrence of the fire incident which happened on 12 January 2021.

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

	2022 1st Quarter RM'000	2021 4th Quarter RM'000	Changes %
Revenue	2,034	2,429	-16
Loss from operations	(5,149)	(17,385)	70
Finance costs	(1,394)	(1,433)	3
Finance income	95	17	459
Operating loss	(6,448)	(18,801)	66
Share of loss of an equity-accounted joint venture, net of tax	(664)	(168)	-295
Loss before tax	(7,112)	(18,969)	63

The lower group's losses before tax in current quarter were mainly due to one-off gain of RM3.71 million arising from disposal of other investment, an additional RM5.47 million written off in preceding quarter on the property, plant and equipment and reduction of RM2.00 million estimated insurance claim receivable as a results of the Andaman fire incident in January 2021.

B3. Prospects

Business in Treasure Bay Bintan, Indonesia has progressively improved ever since the Singapore border opened in April and the Hari Raya celebration in May recently. However, the geopolitical instability due to the current conflict between Russia and Ukraine, the high inflation rate experienced by the world and the Omicron virus outbreak and possible emergence of new variants, have resulted in greater uncertainty to the world economy and hospitality industry recovery.

Despite the challenges and volatility in the global economy recovery, our management continues to work with the authorities and business partners in promoting Treasure Bay Bintan to the Singapore and domestic market.

The insurance claims for the fire losses of The Andaman, Langkawi are making good progress. We have received so far approximately 40% of our total claim submitted to the Insurers. The design of the new resorts at our razed site in Langkawi is in progress and we aim to start the construction soon. The increase in building material and labour cost remains the main challenges to the redevelopment of The Andaman and the management is exploring various options to mitigate this risk. The rebuilding and restoration process of the new resorts will take approximately 24 to 36 months.

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

B3. Prospects (continued)

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 March 2022 RM'000	Current Year To-date 31 March 2022 RM'000
Loss before tax is arrived at after charging/(crediting):-		
Gross dividend income from short term investments	-	-
Depreciation and amortization	3,766	3,766
Gain on foreign exchange	(94)	(94)
Reversal of impairment loss on trade receivables	(20)	(20)
Impairment property, plant and equipment	-	-
Inventories written down	-	-
Gain on disposal of unquoted investment	(3,712)	(3,712)
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		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Income tax charge				
- Malaysia	(569)	15,000	(569)	15,000
- Overseas	18	8	18	8
Deferred Taxation	(277)	(477)	(277)	(477)
	<u>(828)</u>	<u>14,531</u>	<u>(828)</u>	<u>14,531</u>

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 (now known as Southern Archipelago 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");

(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");

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

- (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”).

On 8 April 2022, we have obtained our shareholders’ approval on the Proposed Disposals at the extraordinary general meeting held for this purpose.

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

- (i) the shareholders of Blumont for the acquisition of the Target Companies and the issuance of the Consideration Shares; and
- (ii) 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.

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

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 March 2022 RM'000	As at 31 March 2021 RM'000
Short term borrowings - Secured		
Term loans	125,925	12,430
	125,925	12,430
Long term borrowings - Secured		
Term loans	-	113,375
	-	113,375
Total borrowings	125,925	125,805

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.

Put Option - Profit Guarantee Contract		
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)
- Less than 1 year	2,751	2,000
- 1 year to 3 years	-	-
- 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 March 2022.

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		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
Basic loss per share				
Loss attributable to equity owners of the Company (RM'000)	(6,284)	(237)	(6,284)	(237)
Weighted average number of ordinary shares ('000)	671,496	581,786	671,496	581,786
Basic loss per share attributable to equity owners of the Company (sen)	(0.94)	(0.04)	(0.94)	(0.04)

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		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
Diluted loss per share				
Loss attributable to equity owners of the Company (RM'000)	(6,284)	(237)	(6,284)	(237)
Weighted average number of ordinary shares ('000)	671,496	581,786	671,496	581,786
Adjustment for dilutive effect of ESOS	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	671,496	581,786	671,496	581,786
Diluted loss per share attributable to equity owners of the Company (sen)	(0.94)	(0.04)	(0.94)	(0.04)

By Order of the Board

TAN AI NING
NELSON FOO CHEAN EE
Company Secretaries

Kuala Lumpur
25th May 2022
www.landmarks.com.my