

LANDMARKS

LANDMARKS BERHAD

(Registration No. 198901007900 (185202-H))

(Incorporated in Malaysia)

Unaudited Interim Financial Report For the Fourth Quarter Ended 31 December 2022

LANDMARKS

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	31-December-2022 RM' 000 (Unaudited)	31-December-2021 RM' 000 (Audited)
ASSETS		
Property, plant and equipment	1,248,903	1,260,570
Investment property	29,882	23,632
Right-of-use assets	10,486	11,166
Inventories	688,588	688,588
Investments in joint venture	41,232	38,650
Other investments	1,448	2,085
Other receivable	58,031	-
Total Non-Current Assets	2,078,570	2,024,691
Inventories	105,772	105,089
Receivables, deposits and prepayments	16,766	123,652
Current tax assets	29	29
Cash and cash equivalents	54,092	20,992
Total Current Assets	176,659	249,762
TOTAL ASSETS	2,255,229	2,274,453
EQUITY		
Share capital	776,746	776,696
Reserves	1,492	486
Retained earnings	1,042,888	1,085,656
Total equity attributable to owners of the Company	1,821,126	1,862,838
Non-controlling Interests	713	713
Total Equity	1,821,839	1,863,551
LIABILITIES		
Lease liabilities	2,030	2,529
Deferred tax liabilities	253,737	247,498
Derivative financial liabilities	-	2,000
Retirement benefits	72	315
Total Non-Current Liabilities	255,839	252,342
Loans and borrowings	126,054	125,895
Payables and accruals	33,296	16,864
Lease liabilities	618	631
Current tax liabilities	17,583	15,170
Total Current Liabilities	177,551	158,560
Total Liabilities	433,390	410,902
TOTAL EQUITY & LIABILITIES	2,255,229	2,274,453
Net Assets Per Share (RM)	2.71	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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2022**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>10,357</u>	<u>2,429</u>	<u>24,287</u>	<u>5,580</u>
Loss from operations	(10,764)	(17,385)	(29,459)	(21,562)
Finance cost	(1,664)	(1,433)	(6,094)	(5,840)
Finance income	272	17	761	371
Operating loss	(12,156)	(18,801)	(34,792)	(27,031)
Share of profit/(loss) of an equity-accounted joint venture, net of tax	555	(168)	213	(2,168)
Loss before taxation	(11,601)	(18,969)	(34,579)	(29,199)
Income tax income/(expense)	(9,819)	198	(8,704)	(5,294)
Loss for the period	(21,420)	(18,771)	(43,283)	(34,493)
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	(5,553)	256	1,333	4,974
Other comprehensive income for the period, net of tax	(5,553)	256	1,333	4,974
Total comprehensive expense for the period	(26,973)	(18,515)	(41,950)	(29,519)
Loss attributable to:				
Owners of the Company	(21,420)	(18,771)	(43,283)	(34,493)
Non-controlling interests	-	-	-	-
Loss for the period	(21,420)	(18,771)	(43,283)	(34,493)
Total comprehensive expense attributable to:				
Owners of the Company	(26,973)	(18,515)	(41,950)	(29,519)
Non-controlling interests	-	-	-	-
Total comprehensive expense for the period	(26,973)	(18,515)	(41,950)	(29,519)

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

Loss for the period

-Basic	(3.19)	(2.80)	(6.45)	(5.42)
-Diluted	(3.19)	(2.80)	(6.45)	(5.42)

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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 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	-	4,974	-	-	4,974	-	4,974
Total other comprehensive income for the period	-	4,974	-	-	4,974	-	4,974
Loss for the period	-	-	-	(34,493)	(34,493)	-	(34,493)
Total comprehensive income/(expense) for the period	-	4,974	-	(34,493)	(29,519)	-	(29,519)
Issue of new ordinary shares	29,933	-	-	-	29,933	-	29,933
ESOS exercised	379	-	(379)	-	-	-	-
Share-based payment transactions	-	-	790	-	790	-	790
Share options forfeited	-	-	(598)	598	-	-	-
Total contribution from owners of the Company	30,312	-	(187)	598	30,723	-	30,723
At 31 December 2021	776,696	(7,393)	7,879	1,085,656	1,862,838	713	1,863,551
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	-	1,333	-	-	1,333	-	1,333
Total other comprehensive income for the period	-	1,333	-	-	1,333	-	1,333
Loss for the period	-	-	-	(43,283)	(43,283)	-	(43,283)
Total comprehensive income/(expense) for the period	-	1,333	-	(43,283)	(41,950)	-	(41,950)
Issue of new ordinary shares	37	-	-	-	37	-	37
ESOS exercised	13	-	(13)	-	-	-	-
Share-based payment transactions	-	-	201	-	201	-	201
Share options forfeited	-	-	(515)	515	-	-	-
Total contribution from owners of the Company	50	-	(327)	515	238	-	238
At 31 December 2022	776,746	(6,060)	7,552	1,042,888	1,821,126	713	1,821,839

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 TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2022

	31-December-2022 RM'000	31-December-2021 RM'000
Cash flows from operating activities		
Loss before taxation	(34,579)	(29,199)
Adjustments for non-cash flow		
Depreciation of property, plant and equipment	14,467	14,223
Depreciation of right-of-use assets	817	1,581
Dividend income from other investments	-	(47)
Finance costs	6,094	5,840
Finance income	(761)	(371)
Gain on disposal of property, plant and equipment	(235)	(5)
Impairment loss of property, plant and equipment	(6,250)	1,255
Insurance claim	-	(138,000)
Gain on disposal of other investments	(3,712)	(1)
Fair value loss on other investments	637	-
Property, plant and equipment written off	117	112,223
Share of (profit)/loss of an equity-accounted joint venture, net of tax	(213)	2,168
Equity settled share-based payment transactions	201	790
Operating loss before changes in working capital	(23,417)	(29,543)
Changes in working capital		
Retirement benefits	(243)	(3,025)
Inventories	777	127
Trade and other receivables and prepayments	13,855	6,671
Trade payables and others payables	8,511	(14,895)
Cash generated from/(used in) operations	(517)	(40,665)
Income tax paid	(309)	(94)
Income tax refunded	269	-
Net cash generated from/(used in) operating activities	(557)	(40,759)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,159)	(6,391)
Addition in investment property	-	(120)
Acquisition of other investments	-	(7,547)
Acquisition of subsidiaries	-	(872)
Proceeds from disposal of property, plant and equipment	236	9
Proceeds from disposal of other investments	3,712	7,577
Proceeds from insurance claim	35,000	20,000
Increase in pledged deposits placed with licensed bank	(31,919)	(15,011)
Interest received	761	371
Dividend received from : - other investments	-	47
Net cash generated from/(used in) investing activities	5,631	(1,937)
Cash flows from financing activities		
Interest paid	(3,141)	(5,391)
Interest paid on lease liabilities	(139)	(330)
Proceeds from issue of new ordinary shares pursuant to ESOS	37	1,091
Repayment of lease liabilities	(651)	(1,443)
Net cash used in financing activities	(3,894)	(6,073)
Net increase/(decrease) in cash and cash equivalents	1,180	(48,769)
Cash and cash equivalents at 1 January	2,358	51,127
Cash and cash equivalents at 31 December	3,538	2,358
	31-December-2022 RM'000	31-December-2021 RM'000
Cash and bank balances	3,538	2,358
Deposits with licensed banks	50,554	18,634
	54,092	20,992
Less : Pledged deposits	(50,554)	(18,634)
	3,538	2,358

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 December 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 April 2021 and 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 was no change in estimates except for in Q4 2022, we had revised the total insurance claim receivable in Andaman arising from the fire incident happened in January 2021 to RM124million from RM138million recorded in preceding year.

The RM14million write down was due to the revised estimated claims and discounted time value of estimated Insurance claim receivable under the assumption to rebuild Andaman Resort over a period of exceeding one year.

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 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; and
- 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;

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

**A4. Auditors' Report on the Group's latest Annual Financial Statements
(continued)**

Our opinion is not modified in respect of this matter.

With regards to the above uncertainty related to going concern, we have:

- continued to obtain the financial support from the bank while at the same time discussing with the bank on the proposed funding for rebuilding of new Andaman and restructuring of the existing facilities; and
- from our insurance claim for The Andaman fire incident, recovered a total RM55.0 million as at today of which RM52.0 million being the claim for fire damage to real and tangible property and RM3.0 million being the claim for business interruption due to fire consequential loss.

The Company is undergoing discussion with the insurers on the final sum of our insurance claim.

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 after effects of recovery from the Covid-19 pandemic even though declared endemic with new strains of the virus being discovered is still evident to dampen immediate complete recovery. With country borders being re-opened now, the hospitality industry however foresees improvements in business with tourism arrival in our operational resorts coming back to almost 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:

	12 months ended 31 December	
	2022	2021
	RM'000	RM'000
Primary geographical markets		
Malaysia	-	1,036
Indonesia	24,091	4,497
	24,091	5,533
Major service lines		
Room revenue	11,882	2,673
Attraction revenue	6,517	1,443
Food and beverage revenue	5,692	1,417
	24,091	5,533
Timing and recognition		
Over time	18,399	4,116
At a point in time	5,692	1,417
	24,091	5,533
Revenue from contracts with customers	24,091	5,533
Other revenue	196	47
Total Revenue	24,287	5,580

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	
	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	17,575	4,090	6,517	1,442	195	48	24,287	5,580
Profit/(Loss) from operations	(15,416)	16,080	(10,703)	(30,725)	(3,340)	(6,917)	(29,459)	(21,562)
Finance costs	(5,954)	(5,516)	(91)	(258)	(49)	(66)	(6,094)	(5,840)
Finance income	757	349	2	20	2	2	761	371
	<u>(20,613)</u>	<u>10,913</u>	<u>(10,792)</u>	<u>(30,963)</u>	<u>(3,387)</u>	<u>(6,981)</u>	<u>(34,792)</u>	<u>(27,031)</u>
Included in the measure of segments results from operating activities are :								
- Depreciation and amortisation	(2,803)	(3,210)	(12,100)	(12,146)	(381)	(448)	(15,284)	(15,804)
Segment assets	<u>155,187</u>	<u>171,466</u>	<u>2,097,277</u>	<u>2,100,188</u>	<u>2,765</u>	<u>2,799</u>	<u>2,255,229</u>	<u>2,274,453</u>

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

A11. Property, plant and equipment

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

A12. Intangible asset

There was no additional purchase of intangible asset for the financial period ended 31 December 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 December 2022 other than as mentioned below:

During the financial year ended 31 December 2022, a total of 161,800 new ordinary shares 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 paragraph B7 Status of corporate proposals announced but not completed.

A15. Contingent liabilities and contingent assets

As at 31 December 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)	<u>126,750</u>

A16. Capital and other commitments

	31 December 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 paragraph 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 December 2022 compared with Financial Period Ended 31 December 2021

The results of the Group are tabulated below:

	INDIVIDUAL PERIOD			CUMULATIVE PERIOD		
	3 months ended		Changes	12 months ended		Changes
	31 December			31 December		
	2022	2021		2022	2021	
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	10,357	2,429	326	24,287	5,580	335
Loss from operations	(10,764)	(17,385)	38	(29,459)	(21,562)	-37
Finance costs	(1,664)	(1,433)	-16	(6,094)	(5,840)	-4
Finance income	272	17	1,500	761	371	105
Operating loss	(12,156)	(18,801)	35	(34,792)	(27,031)	-29
Share of profit/(loss) of an equity-accounted joint venture, net of tax	555	(168)	430	213	(2,168)	110
Loss before tax	(11,601)	(18,969)	39	(34,579)	(29,199)	-18

(a) Quarter ended 31 December 2022 ("4Q 2022") compared with quarter ended 31 December 2021 ("4Q 2021")

The increase in the Group operating losses was mainly due to the following:

- (i) Andaman recorded higher operating losses mainly due to RM14million write down on estimated insurance claims receivable in 4Q 2022.
- (ii) Treasure Bay Bintan incurred significant lower operating losses of RM1.20 million as compared to RM10.03 million in 4Q 2021 mainly due to better operating conditions after relaxation of travel restrictions.

ANMON achieved significant improvement in hotel revenue of RM7.58 million with 71% occupancy rate as compared with RM1.56 million with 37% occupancy rate in Q4 2021.

- (iii) Share of profit after tax from joint venture due to better operating conditions after relaxation of travel restrictions.

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

B1. Review of performance for Financial Period Ended 31 December 2022 compared with Financial Period Ended 31 December 2021 (continued)

(b) Financial year ended 31 December 2022 ("FY 2022") compared with financial year ended 31 December 2021 ("FY 2021")

The Group incurred marginally higher operating losses in FY 2022 was mainly due to the following:

- (i) The Andaman recorded an operating profit in preceding year arising from recognition of estimated fire insurance receivable of RM138.0 million together with property, plant and equipment written off and impairment of RM109.88 million and retrenchment costs of RM3.10 million after fire incident happened in January 2021 and RM14million write down on estimated insurance claims receivable in 4Q 2022; and
- (ii) Treasure Bay Bintan recorded lower operating losses of RM17.03 million as compared to RM34.51 million in FY 2021 mainly due to better operating conditions after relaxation of travel restrictions.

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

	2022 4th Quarter RM'000	2022 3rd Quarter RM'000	Changes %
Revenue	10,357	7,072	46
Loss from operations	(10,764)	(5,442)	-98
Finance costs	(1,664)	(1,556)	-7
Finance income	272	218	25
Operating loss	(12,156)	(6,780)	-79
Share of profit of an equity-accounted joint venture, net of tax	555	331	68
Loss before tax	(11,601)	(6,449)	-80

The higher group's loss before tax incurred in current quarter was mainly due to the following:

- (i) Andaman recorded a RM14million write down on estimated insurance claims receivable in 4Q 2022;
- (ii) Lower operating losses incurred in Treasure Bay Bintan due to higher revenue achieved; and
- (iii) Higher profit after tax contribution from joint venture.

B3. Prospects

Business in Treasure Bay Bintan has improved significantly since the 2nd quarter and we are expecting the recovery momentum to continue provided there are no deadlier mutated Covid-19 virus that cannot be contained. This improvement was due to the more relaxed travel requirements following improving protocols for Covid-19 and continued joint efforts with the authorities and partners in promoting Treasure Bay Bintan to the Singapore and domestic market.

The Management will be reviewing and finalizing the insurance claims for the fire losses of The Andaman, Langkawi in order to be able to start the re-construction work soon. The re-development plans are being put in place but the uncertainties from increase in building material and labour costs pose major challenges and the management is exploring various options to mitigate these risks. The rebuilding and restoration process of the new resorts is projected to take approximately 36 months or more upon commencement of work.

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. Loss before tax

	Current Year Quarter 31 December 2022 RM'000	Current Year To-date 31 December 2022 RM'000
Loss before tax is arrived at after charging/(crediting):-		
Depreciation and amortization	3,748	15,284
Gain on foreign exchange	(760)	(1,583)
Impairment loss/(Reversal of impairment loss) on trade receivables	1	(88)
Write down on estimated insurance claim receivable	14,000	14,000
Reversal of impairment loss on investment property	(6,250)	(6,250)
Gain on disposal of unquoted investment	-	(3,712)

B6. Income tax (income)/expense

	Current period		Cumulative period	
	3 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Income tax charge				
- Malaysia	2,775	(1,331)	2,206	13,709
- Overseas	114	21	259	37
Deferred Taxation	6,930	1,112	6,239	(8,452)
	<u>9,819</u>	<u>(198)</u>	<u>8,704</u>	<u>5,294</u>

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

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 Southern Archipelago Ltd ("SAL") 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 SAL for a consideration of approximately SGD14.38 million (equivalent to RM44.24 million); and
- (b) TGPL, had on 1 | October 2021 entered into another conditional share sale agreement ("Seychelles SSA") with SAL for the disposal of:
 - (i) 100% equity interest in Hinako Investments Pte Ltd ("Hinako"), a wholly-owned subsidiary of TGPL, to SAL, for a consideration of approximately SGD13.73 million (equivalent to RM42.26 million);

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

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

On 31 October 2022, the Company had announced that TGPL, had on 31 October 2022 entered into the following conditional share sale agreements with SAL to revise the structure and certain terms of the Proposed Disposals which superseded the above mentioned proposed disposals approved by the shareholders on 8 April 2022:

- (a) supplemental agreement to the Mendol SSA ("Revised Mendol SSA") to revise the disposal of the remaining 49% equity interest in Mendol at a consideration of approximately SGD14.48 million (equivalent to approximately RM48.38 million); and
- (b) supplemental agreement to the Seychelles SSA ("Revised Seychelles SSA") to revise the disposal to be limited to 100% equity interest in Hinako at a consideration of approximately SGD13.68 million (equivalent to approximately RM45.70 million),

for a total aggregate consideration of approximately SGD28.15 million (approximately RM94.09 million) to be satisfied via the issuance of 9,384,800,104 SAL Shares at the issuance price of SGD0.003 per SAL Share. ("Revised Proposed Disposals")

On 17 February 2023, the Company decided to withdraw the draft circular in relation to the Revised Proposed Disposals which was submitted to Bursa Securities due to the extended period of time to complete the current transaction and the volatile market conditions.

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 2022 RM'000	As at 31 December 2021 RM'000
Short term borrowings - Secured		
Term loans	126,054	125,895
	<u>126,054</u>	<u>125,895</u>
Long term borrowings - Secured		
Term loans	-	-
	<u>-</u>	<u>-</u>
Total borrowings	<u>126,054</u>	<u>125,895</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.

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 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		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
Basic loss per share				
Loss attributable to equity owners of the Company (RM'000)	(21,420)	(18,771)	(43,283)	(34,493)
Weighted average number of ordinary shares ('000)	671,514	671,000	671,510	636,743
Basic loss per share attributable to equity owners of the Company (sen)	(3.19)	(2.80)	(6.45)	(5.42)

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		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
Diluted loss per share				
Loss attributable to equity owners of the Company (RM'000)	(21,420)	(18,771)	(43,283)	(34,493)
Weighted average number of ordinary shares ('000)	671,514	671,000	671,510	636,743
Adjustment for dilutive effect of ESOS	-	-	-	-
Adjusted weighted average number of ordinary shares ('000)	671,514	671,000	671,510	636,743
Diluted loss per share attributable to equity owners of the Company (sen)	(3.19)	(2.80)	(6.45)	(5.42)

By Order of the Board

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

**Kuala Lumpur
27th February 2023
www.landmarks.com.my**