



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

33<sup>rd</sup> Annual General Meeting  
15 June 2022

**Question & Answer**

- Q1. Would the Company consider giving e-token to shareholders who participated in this AGM?
- A1. We are not giving any e-token for this meeting. The Company would evaluate and take this suggestion into consideration for future meeting.
- Q2. Is plan for a casino in Bintan Island, Indonesia workable?
- A2. Indonesia currently doesn't have the legal framework and legislation for casino. However, if the legislation is in place, the company will consider to participate if invited.
- Q3. What was the cost for the company to buy 338 hectares of land in Bintan?
- A3. The Company bought the 338 hectares of land in Bintan for the cost of SGD338 million. At that time, the conversion rate was in the range of SGD1 to MYR2.20.
- Q4. What's new between the Company and Southern Archipelago Limited (formerly known as Blumont Group Limited) ("SAL") in the business cooperation in Bintan?
- A4. The transaction with SAL, a Singapore listed company, is on-going and yet to be completed at this point of time. SAL is acquiring Natra Bintan and few pieces of land in Bintan, Indonesia with the Company retaining 40% interest of most the said lands together with SAL. Currently, both Companies are undergoing active discussions in connection to the development plans of the lands to be acquired by SAL, with the intention to raise fund in Singapore market. Accordingly, the Company would embark into some of the development jointly with SAL.
- Q5. Is there any progress on Bintan Chiva Som development plan?
- A5. Chiva-Som development have been designed with detailed drawings for both resorts, wellness and residential unit in 2019. This plan was affected by the Covid-19 Pandemic in March 2020 which resulted in temporary closure of business operations in Treasure Bay Bintan in April 2020.

The Company is monitoring the latest Covid-19 Pandemic situation with the hope that the operations will be back to pre-Covid.

Q6. What is the minimum occupancy rate required for ANMON to be profitable and the occupancy rate of ANMON in the last 2 months?

A6. Since the re-opening of the borders in April 2022, the Company observed positive increment on the occupancy rate, particularly on the month of May 2022 due to Hari Raya celebration.

ANMON recorded an occupancy rate of approximately 40% to 60% for the past two (2) months. The business has shown improvement in Average Daily Rate of approximately 30%. The Company is optimistic and looking forward to ANMON's operation which shows gradual improvement since the recent re-opening of the borders.

The Company need to achieve a minimum occupancy rate of between 35% to 40% for it to be profitable. Management and Hotel Operator continue to observe whether the spike in demand, particularly on consumers' habit spending change due to the post-covid revenge spending will continue.

Q7. What is the progress of The Andaman's rebuilding plan? Has the bank loan been approved? How much does the Company borrow from the bank and how much is the interest rate?

A7. Management is currently working hard towards The Andaman rebuilding plan which is progressing steadily. The selection and appointment of the Quantity Surveyor is expected to commence soon.

The Company is fully aware of the uptrend in material prices and labour cost due to the current global economic condition post Covid-19. The Board and Management are monitoring closely to ensure the costing is done properly. The Company is cautious on the impact of international arrivals due to increase in the airlines tickets as compared to pre-Covid 19.

The Company has received a draft term sheet from the Bank in relation to the funding for The Andaman rebuilding. The Bank would commit to certain percentages of funding and the remaining would be sourced from the Company's internally generated funds. As an alternative, the Company may also source for a contractor who is willing to do a 100% turnkey project.

The Company is still in the negotiation with the Bank on the interest rate and is endeavoured to secure the interest rate ranging between 4% to 5% per annum, representing the average interest rate during pre-Covid 19. However, the Company is fully aware of the present economic environment and foresees that the cost of funding would increase significantly by end of the year.

The Company is also evaluating other funding options, such as funding through the capital market and any other means to ensure that a reasonable interest rate that would not affect the Company's forecasted Return of Investment and Return of Equity.

The Company has received approximately 40% of the total insurance claim submitted to the insurance company as at today. The final insurance claim amount is still been finalised. Thus, the Company have another source of fund from the insurance claims.

Q8. The revenue has been decreasing since 2019. 5 years' net income and Earnings per Share has been negative. The operating loss for 5 years. The Return on Equity for 5 years in negative shows the company is not being managed efficiently. What are the plans to address it?

A8. As a destination development company, the Company requires substantial capital to nurture green field project into an attractive destination and multiple years were taken to create Treasure Bay Bintan, Chill Cove with two (2) hotels of 100 rooms respectively.

The second hotel was built and commenced operation in September 2019 but unfortunately due to the emergence of Covid-19 Pandemic, the hotel was unable to reflect its actual performance with a short run way even though with its high popularity.

With the recent reopening of the international borders, the Company is confident that the hotel business would improve gradually.

In year 2021, the Company encountered an unfortunate event where a major fire incident broke out at The Andaman Resort, Langkawi. Damage to the property caused the hotel to cease its operation immediately resulted in the Group revenue being disrupted for the next two (2) years.

Rebuilding of The Andaman will take approximately two (2) to three (3) years. Being an UNESCO park, the Company need to ensure the rebuilding project would not bring damages to natural forest and to protect as much trees as possible, thus it would certainly be challenging.

With the work in progress on the insurance claim from the Insurance Company and the availability of Bank's funding, the Company projected to start the rebuilding project by 3<sup>rd</sup> Quarter of 2022, barring unforeseen circumstance.

Q9. For Financial Year ("FY") 2020 and FY 2021, what percentage of CAPEX was spent on digitalisation and innovation? What percentage of CAPEX has been budgeted in FY 2022 on digitalisation and innovation?

A9. The Company is evaluating how to digitalise the Company's business in the context of hospitality business. Management is committed to innovation by providing new experiences for the Company's returning customers. It is the Company's objective to provide the customers with a good experience and products and services that is value for money.

Q10. What is the likelihood of Landmarks Berhad being delisted?

A10. Being an affected listed issuer, the Company is required to work on a regularisation plan for submission to the authorities. The company has 2 years to submit the said plan to authorities for approval.

Q11. Did Genting ever discuss the future business development direction of the company, with the directors of the Company in any form, since Genting became a shareholder of the Company and whether the Group had any collaboration with Genting Group at this moment?

A11. Genting Group is an investor of the Company. The Covid 19 Pandemic had restricted both Groups from having meeting for the past two (2) years.

Q12. The share price has been declined from RM1.80 to RM0.21 for the past 10 years resulted the shareholders suffered great losses. What is the measure from Management to compensate the shareholders and when the Group expect to be profitable?

A12. The Company's primary aim is to turn profitable despite the impact of Covid-19 Pandemic and economic uncertainties. During the early period, Management had focused on ensuring the Company's Balance Sheet are not highly geared. Therefore, until today, pre and post Covid 19 Pandemic, the gearing of the Company's balance sheet was only remained at The Andaman level and Bintan remained as an unencumbered property. The Company is in a much better position to withstand the impact of the Covid 19 Pandemic and the financial crisis.

The Company was actually in the turning point in 2019. The Company plan to kick starts its operation post Covid-19. The Company is confident that so long as The Andaman is back in operation together with both ANMON and Natra Bintan running well, it will be profitable.

Q13. What is Bintan project progress status in terms of percentage as of today?

A13. The Group owned 338 hectares of land in Bintan. The Company has started the development on the land sited nearer to the terminal according to the master plan. The hospitality and tourism are the initial platform to kick start and to introduce Treasure Bay Bintan to the market. The next milestone will be to build the wellness resort to be managed by Chiva-Som. With that, the Group can move to Phase 2 which is an extension of Phase 1. Phase 2 is about 1/3 of the total land size and infrastructure is about 30% completed.