

LANDMARKS

LANDMARKS BERHAD

Registration No. 198901007900 (185202-H)

Extraordinary General Meeting
8 April 2022

Question & Answer

- Q1. What is the cost of this virtual EGM?
- A1. The cost of this virtual EGM is approximately RM13,000.
- Q2. Would the Company consider giving e-token to shareholders who participated in this EGM?
- A2. We are not giving any e-token for this meeting. The Company would evaluate and take this suggestion into consideration for future meeting.
- Q3. What is the rationale for this Proposed Disposals?
- A3. The rationale for the Proposed Disposals had been covered in the presentations by both the Group COO & CFO and the Independent Adviser.
- Q4. What is the Company's future expected outcome?
- A4. The Company without exception was badly affected by the Covid-19 pandemic for the past two (2) years and the geopolitical tension. However, the hospitality industry will continue to survive as people would still want to travel. Therefore, it is important for the Company to remain relevant and be mindful of creating unique location and products to attract future tourist arrival. Hence, Management is working towards packaging different locations with different unique offering.
- Q5. What is the rebuilding cost for The Andaman?
- A5. The Company had received approximately 35% of the insurance proceeds as at to-date and the rebuilding of The Andaman will be commencing soon. The Company intended to build two (2) hotels at the same location with 110 keys for The Andaman and 30 keys for a Wellness resort. The Board has allocated a budget of RM340 million for the development. The Company foresees the possibility of material price inflation due to the current economic condition. Both the Board and Management are jointly monitoring closely to ensure that the costing is done properly before the Company embarked on the said development to minimise the risk of cost overrun.
- Q6. How much bank borrowings required by the Company for the rebuilding of The Andaman and has the Bank approved the loan?
- A6. Our Banks had expressed their support on the re-development of The Andaman and the Company is currently working on finalising the terms with the Banks.

- Q7. What is the current status of Chiva-Som Resort plan?
- A7. The Chiva-Som Bintan Resort was initially planned for implementation right after the ANMON was fully completed. It is noted that ANMON became fully operational in September 2019 but subsequently was affected by Covid-19 in March 2020. The design work under Chiva-Som were almost completed, and the Company is now reassessing and looking for a suitable time to start the development of Chiva-Som Bintan Resort.
- Q8. What is ANMON and Natra Bintan's occupancy rate since the opening of border between Indonesia and Singapore?
- A8. As at 8 April 2022, Natra Bintan's occupancy rate is recorded at approximately 20% to 25% while ANMON occupancy rate is recorded at approximately 35% to 40%. The improvement in occupancy rate is mainly derived from the domestic market. The Company is yet to see any significant inflow of tourists into Bintan Island, Indonesia from Singapore in conjunction with the recent implementation of re-opening of Border on 1 April 2022.
- Q9. How long can ANMON's tent last under the sun and rain?
- A9. The quality of ANMON or Natra Bintan's tent are relying on the manufacturer's guarantee which is more than 10 years or 20 years respectively.
- Q10. What is the actual relationship between the Company and Blumont and going forward, how will that relationship/benefit be as the Company will own shares in exchange for the Proposed Disposals instead of cash?
- A10. Upon the completion of the Proposed Disposals, Blumont will become an associate company of Landmarks Group. The Company will remain as partners for respective companies (i.e., Enggano, Mesawak and Prime) by having 40% equity interest. Thus, it is a Joint-Venture between Landmarks and Blumont to jointly develop the vacant lands. The Company will ultimately benefit from the investment interest generated on Landmarks Group's remaining lands surrounding Chill Cove with the intention to bring in more investment into Treasure Bay Bintan, Indonesia.
- Q11. After this Proposed Disposals, when will the Company's business growth and profitability come about that the dividend can be paid?
- A11. Moving forward, the Company will work closely with Blumont. As highlighted in the presentation by Independent Adviser, Blumont is expected to be able to raise funds either via the capital market and/or bank borrowing in Singapore as Singaporean investors and financial institutions are more familiar with the economic condition and environment in Bintan, Indonesia, due to their geographical proximity.
- Q12. Blumont's Price/Book value is at SGD110.3 and it is trading at SGD0.004 cents. Blumont had a very bad reputation with Singapore Exchange. What is the justification for the valuation for the Blumont's price as it looks more like a bailout for Blumont.
- A12. Blumont has completed their restructuring process. As of to date, Blumont recorded a zero gearing. To align with Blumont's new direction, Blumont has initiated a rebranding exercise which in turn resulted in a recent change of name from Blumont Group Ltd to Southern Archipelago Ltd.

Blumont has also ventured into other hospitality business such as Boutique Hotel and Food & Beverage business. Thus, the Company sees the synergy between Landmarks and Blumont to jointly develop the land in Bintan, Indonesia.

Q13. The Company's share price had been significant decline and Management did not put in effort to improve the share price while receiving huge salaries. There have been no improvements on the business performance despite Management had responded on the yearly Annual General Meeting that Management would try to improve the Company's business.

A13. Management did not receive huge salaries pay out. The salaries and/or remuneration package are within the market rate and the Senior Management is currently undergoing salary reduction. Management is putting full efforts to ensure probity in navigating the Company through this turbulence period. The Group remains focussed to ensure the Company is not highly geared and committed in growing its business to bring in profit and business growth. Ultimately, Management is optimistic that the share price will then be reflected from the business performance.

Q14. The Company has been loss making and paid no dividend to shareholders for too long. With another Proposed Disposals, to what amount of the disposals obtained will be paid as special dividends to shareholders? Is the Board planning to further reward themselves or to likely squander this into losses again?

A14. The Company will need to conserve its financial resources and cash for the development of Treasure Bay Bintan which needed a long gestation period to maximise its potential and value. The Company hence has no intention to declare any dividend as this moment. All resources derived from this Proposed Disposals will be redeployed to our resorts development in Langkawi and Bintan.