

LANDMARKS

LANDMARKS BERHAD

(185202-H)

30th Annual General Meeting

29 May 2019

Question and Answer

- Q1. When does the Board expect to make profits to pay dividends to shareholders?
- A1. For a development company like Landmarks, the initial infrastructure cost of developing Treasure Bay Bintan (“TBB”) has to be funded internally as banks would prefer to fund income generating assets. The Board is therefore conscious to conserve and manage the cashflow carefully for this purpose, and in 2018, the Group has managed to achieve a positive Earnings before Interest, Tax, Depreciation & Amortisation. The Group’s profitability is also affected by the nature of the tented resort development at TBB because the depreciation is high as it is spread out over only 5 years instead of 50 years for buildings. The Board is targeting to achieve higher positive cashflow in 2019 and can then aim to shift to a dividend yield position as soon as possible.
- Q2. The Company’s share price is low at about 46 sen (on 28 May 2019) with hardly any trade on the stock exchange. What are the Board’s plans to raise the profile of the Company?
- A2. With the share price of 46 sen, the market capitalisation of the Company is about RM240 million. The valuation of The Andaman is about RM300 million and the Group has spent about RM1 billion to acquire TBB. The current share price is therefore not reflective of the Company’s valuation. The Board is targeting to return the Company to profitability in 2 to 3 years and when the fundamentals are in place, there would be opportunities to promote the Company.
- Q3. Genting Berhad (“Genting”) is one of the largest shareholders of the Company. Is there any representation from Genting on the Board?
- A3. Genting is a strategic shareholder in the Company and they have no representation on the Board.