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## **Landing International Development Limited**

**藍鼎國際發展有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 582)**

### **VERY SUBSTANTIAL ACQUISITION AND RESUMPTION OF TRADING**

#### **SALE AND PURCHASE AGREEMENT**

On 29 July 2015 (after trading hours), the Company as the purchaser and Pearl Concept as the vendor entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to acquire and Pearl Concept has conditionally agreed to sell the Sale Shares, representing 50% of the issued share capital of Magical Gains, and the Sale Loan at the total consideration of KRW130,000,000,000 (equivalent to approximately HK\$864,074,443).

Subject to and upon Completion, the Company will become the legal and beneficial owner of 100% of the issued share capital of Magical Gains, which, through its wholly-owned subsidiaries, owns and operates the Jeju Casino. Upon Completion, Magical Gains will cease to be a joint venture and will become a wholly owned subsidiary of the Company and the Shareholders' Agreement will be terminated accordingly.

Taking into account (a) the promising performance and optimistic prospect of Jeju Casino, (b) that the Acquisition is in line with the business objective of the Group, (c) that the smooth transition of the management of the casino operation is ensured under the terms of the Sale and Purchase Agreement, and (d) that the financial results of the Group may be improved as a result of the Acquisition, the Board considers that the Acquisition is beneficial to the Group and that the cessation of Pearl Concept as a shareholder of Magical Gains will not have any material adverse effect to the business and affairs of Jeju Casino.

## **LISTING RULES IMPLICATIONS**

As one or more of the relevant percentage ratios applicable to the Acquisition exceeds 100%, the entering into of the Sale and Purchase Agreement constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules. To the best knowledge of the Company, no Shareholder has a material interest in the Acquisition and therefore no Shareholder is required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the SGM as at the date of this announcement.

## **GENERAL**

The Company will despatch the circular in accordance with the requirements under the Listing Rules, containing among other things, (i) further information on the Target Group, the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Group upon Completion; and (iv) notice of the SGM. As the Company requires time for compiling the financial information for inclusion in the circular pursuant to the Listing Rules, the circular is expected to be despatched to the Shareholders on or before 31 August 2015.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 30 July 2015 pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 5 August 2015 following the publication of this announcement.

The Board is pleased to announce that on 29 July 2015 (after trading hours), the Company as the purchaser and Pearl Concept as the vendor entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to acquire and Pearl Concept has conditionally agreed to sell the Sale Shares, representing 50% of the issued share capital of Magical Gains, and the Sale Loan at the total consideration of KRW130,000,000,000 (equivalent to approximately HK\$864,074,443).

## **SALE AND PURCHASE AGREEMENT**

Date: 29 July 2015

Parties: (i) the Company as the purchaser  
(ii) Pearl Concept as the vendor

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, Pearl Concept and its associates are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) as at the date of this announcement.

## **Assets to be acquired**

The Sale Shares, representing 50% of the issued share capital of Magical Gains, and the Sale Loan.

## **Consideration**

The aggregate consideration for the Sale Shares and the Sale Loan is KRW130,000,000,000 (equivalent to approximately HK\$864,074,443 based on the agreed KRW: HK\$ exchange rate of KRW150.45: HK\$1) (the “**Consideration**”).

The Consideration was determined after arm’s length negotiation between the Company and Pearl Concept based upon the total initial investment costs of Pearl Concept in Magical Gains under the Deemed Disposal in the sum of KRW130,000,000,000, details of which have been disclosed in the Announcements. Given that the Deemed Disposal was completed only about 7 months ago on 23 December 2014 and that the parties will share the NPAT of Jeju Casino during the period of cooperation, i.e. from 23 December 2014 to Completion Date (details of which have been disclosed in the paragraph headed “Completion” below), the Directors consider that the reference to the total initial investment costs of the Deemed Disposal as the basis for determining the Consideration to be fair and reasonable.

The Consideration will be funded by the Group’s internal resources and/or debt financing. The Company will not utilize the proceeds from the Rights Issue for the payment of the Consideration.

## **Conditions precedent**

Completion is conditional upon the satisfaction of the following conditions:

- (i) all necessary consents, licences and approvals required to be obtained on the part of Pearl Concept and the Target Group in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (ii) all necessary consents, licences and approvals required to be obtained on the part of the Company in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (iii) all the warranties remaining true and correct and not misleading at Completion with the same force and effect as if made at and as of such time; and
- (iv) all obligations and covenants of each of the Company and Pearl Concept to be performed hereunder on or before the Completion Date shall have been duly performed.

Each party shall use reasonable endeavours to ensure the satisfaction of the above conditions precedent as soon as possible. The Company may at its absolute discretion waive the above conditions (iii) and (iv). No other conditions is waivable by any parties. If the above conditions are not satisfied (or, where applicable, waived) on or before 4:00 p.m. on 31 December 2015 or the date on which the SGM (or any adjournments thereof) is convened to obtain Shareholders' approval in respect of the transactions contemplated under the Sale and Purchase Agreement (whichever is the earlier), the Sale and Purchase Agreement shall cease and determine, neither party shall have any obligations towards each other thereunder save for any antecedent breaches of the terms thereof.

## **Completion**

Subject to the fulfillment (or waiver) of all the conditions precedent, Completion shall take place on a date to be decided by the Company which, in any event, shall not be later than the 10th Business Day after the fulfillment (or waiver) of the conditions precedent, or on such other date as may be agreed between the parties in writing (the "**Completion Date**").

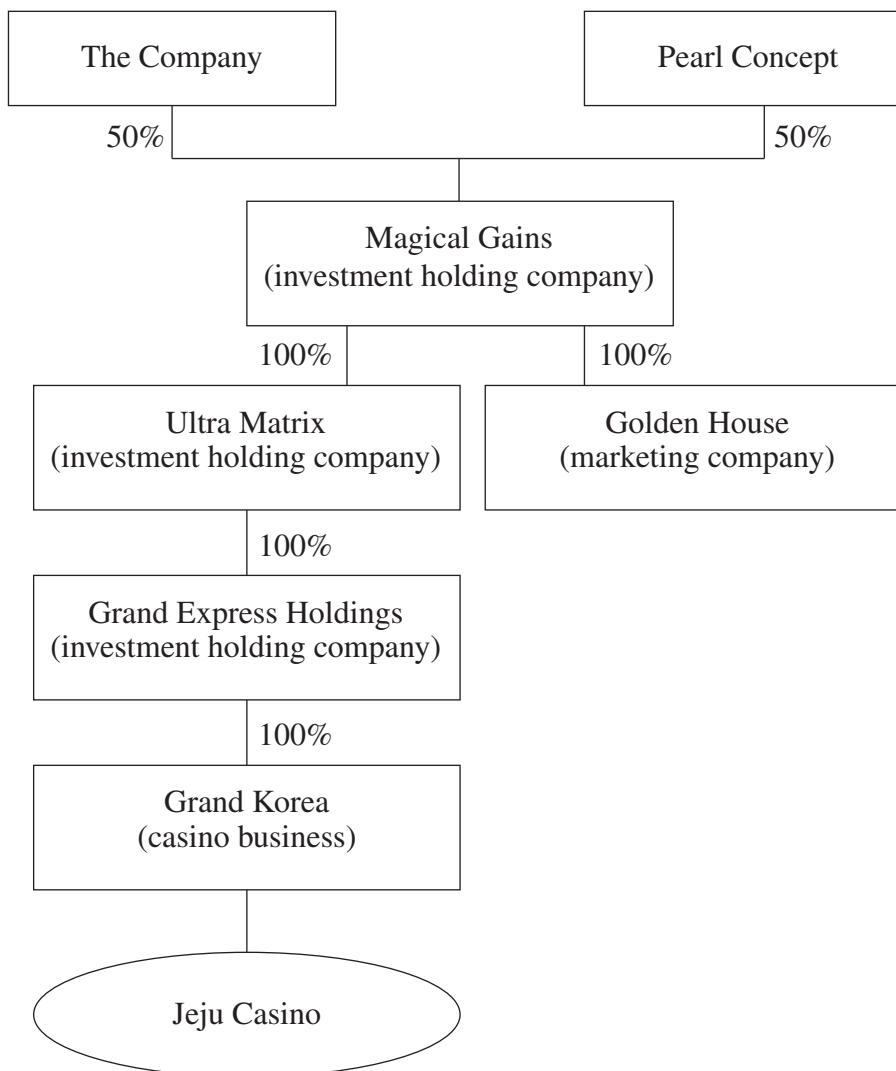
Subject to and upon Completion, the Company will become the legal and beneficial owner of 100% of the issued share capital of Magical Gains, which, through its wholly-owned subsidiaries, owns and operates the Jeju Casino. Upon Completion, Magical Gains will cease to be a joint venture and will become a wholly owned subsidiary of the Company and the Shareholders' Agreement (details of which have been disclosed on the Announcements) will be terminated accordingly.

Subject to and upon Completion, the Company and Pearl Concept will use their respective reasonable endeavours to procure Magical Gains to prepare, and to agree upon, the Completion Accounts and the NPAT within thirty (30) Business Days after Completion and the NPAT so agreed by the Company and Pearl Concept will be shared by the parties in accordance with their respective shareholdings in Magical Gains, within fourteen (14) Business Days after the Completion Accounts are confirmed by the parties.

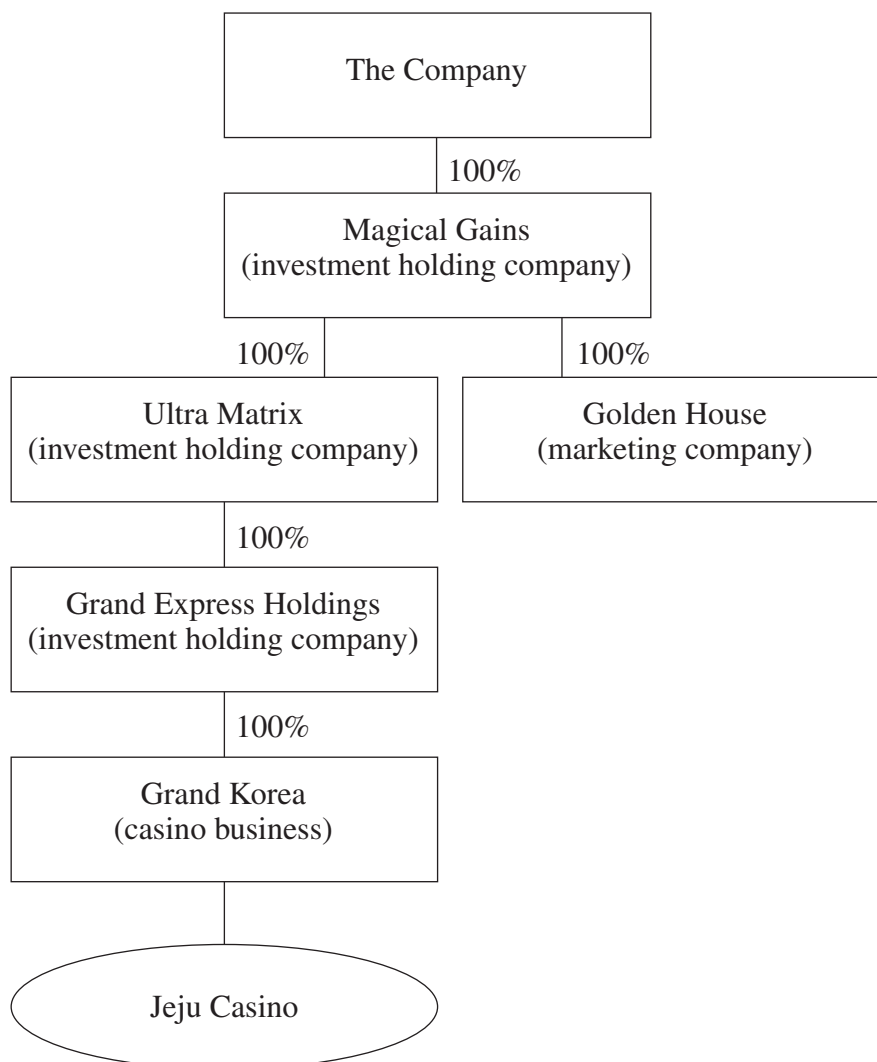
## SHAREHOLDING STRUCTURE OF THE TARGET GROUP

The following diagrams show the simplified shareholding structure of the Target Group (a) as at the date of the Sale and Purchase Agreement; and (b) immediately after Completion:

### (a) As at the date of the Sale and Purchase Agreement



**(b) Immediately after Completion**



**INFORMATION OF PEARL CONCEPT**

Pearl Concept is an investment holding company incorporated in the BVI and an indirect wholly owned subsidiary of Genting HK.

**INFORMATION OF TARGET GROUP**

Magical Gains is an investment holding company incorporated in the BVI and is currently a joint venture of the Company with equal shares held by the Company and Pearl Concept, which indirectly holds the entire issued share capital of Grand Korea as at the date of this announcement.

Grand Korea is a company incorporated under the laws of Korea with limited liability, which owns and operates the Jeju Casino pursuant to a casino licence issued under the Tourism Promotion Act, which is the framework law governing the casino industry in Korea, and is regulated by the Ministry of Culture and the government of the Jeju Province. The Jeju Casino currently has 26 Baccarat tables, 1 Blackjack table, 1 Tai Sai table, 1 Roulette table and 16 slot machines.

Set out below is the financial information of the Target Group:

	<b>For the period ended 31 December 2014 (audited) HK\$'000</b>	<b>For the six months ended 30 June 2015 (unaudited) HK\$'000</b>
<b>Revenue</b>	21,367	371,831
<b>Net (loss)/profit before tax</b>	(20,423)	72,388
<b>Net (loss)/profit after tax</b>	(20,423)	48,928
	<b>As at 31 December 2014 (audited) HK\$'000</b>	<b>As at 30 June 2015 (unaudited) HK\$'000</b>
<b>Net liabilities</b>	(53,209)	(21,613)

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE SALE AND PURCHASE AGREEMENT**

The principal activity of the Company is investment holding and the Group is principally engaged in (i) the design, manufacturing and sale of the light-emitting diode and semiconductor lighting related products; (ii) property development business; (iii) development and operation of integrated resort; and (iv) casino business.

As shown in the above financial information of the Target Group, the performance of the Jeju Casino has improved significantly during the six months ended 30 June 2015 when comparing to that in 2014. The revenue has grown by 16 times and the Jeju Casino has turned from loss to profit. This signifies the success of the Jeju Casino's change of customer focus and marketing strategy and the strengthened managerial and professional support after the rebranding in January 2015. It also reflects the growing potential of the Jeju Casino attributable mainly to the growing tourism and foreign investments in Jeju Province, especially the soaring number of Chinese tourists to Jeju, which increased by 58% to 2.9 million in 2014. The geographical advantage of Jeju Province, which is a one-hour flight from Shanghai and 2<sup>1</sup>/<sub>2</sub> hours from Beijing, coupled with the favourable government policies for tourism and foreign investments, by designating Jeju Airport as one of the visa-free entry points of Korea for Chinese, and giving permanent residency to foreigners who purchase and own property worth at least KRW500 million in designated districts for five years, have boosted and will continue to drive tourism and foreign investments in Jeju. In view of the aforesaid, the Board continues to hold a strong faith in, and is optimistic towards, the business prospect of the Jeju Casino.

One of the Group's business objectives is to establish its own branding and presence in the gaming industry worldwide. The Board considers that the Acquisition provides a good opportunity for the Group to work towards the achievement of such an objective. The Jeju Casino, which has been installed and implemented with operation and control systems consistent with international standards and practice, will provide a good platform for the Group to build up its own brand name and goodwill in the gaming industry, and to develop its own professional team in casino operation and management. On top of the existing

experienced and well trained managerial and operational teams, the Company will further recruit other top-notch professionals who have extensive experience with Asia and/or international based gaming operations to strengthen the Jeju Casino and strategise for long term growth. Meanwhile, in order to facilitate a smooth transition of the management of the casino operation, pursuant to the Sale and Purchase Agreement, Pearl Concept will procure that employees seconded by Genting HK to Grand Korea will continue to stay in their positions until three months after Completion or such shorter time as the Company may notify Pearl Concept. The Group may also in the future, based upon the experience and expertise gained from the Jeju Casino, expand its casino business in other suitable markets and broaden its market share in the gaming industry.

Although further capital for the payment of the Consideration will have to be invested in the Target Group, the Company will be able to gain 100% current performance and expected future growth of the Jeju Casino. Based on the financial information of the Target Group as at 30 June 2015, the Acquisition will enhance the Group's financial results by consolidating and capturing the whole profit from the Jeju Casino in the financial statements of the Company upon Completion when Magical Gains becomes a wholly owned subsidiary of the Company.

Genting HK plans to focus on, and put more resources to expand, its cruise and cruise related businesses after its recent acquisition of a global luxury cruise line operator. Taking into account (a) the promising performance and optimistic prospect of the Jeju Casino, (b) that the Acquisition is in line with the business objective of the Group, (c) that the smooth transition of the management of the casino operation is ensured under the terms of the Sale and Purchase Agreement, and (d) that the financial results of the Group may be improved as a result of the Acquisition mentioned above, the Board considers that the Acquisition is beneficial to the Group and that the cessation of Pearl Concept as a shareholder of Magical Gains will *not* have any material adverse effect to the business and affairs of the Jeju Casino. In light of the above, the Board considers the Sale and Purchase Agreement and the transactions contemplated thereunder, to be on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

According to the Annual Report 2014 of Genting Berhad (a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad), Genting Singapore is an indirect 52.6% owned subsidiary of Genting Berhad as at 27 April 2015. According to available public information, Genting Berhad is an indirect substantial shareholder of Genting HK. Genting Singapore and Genting HK are separate corporate entities, each with an independent board of directors, a distinct management team and separate shareholders.

The Acquisition, if materialized, will ONLY result in Pearl Concept ceasing to be a joint venture partner of the Company. Genting Singapore remains as a partner of the Company for the Jeju Project and continues to own 50% of the issued share capital of the subsidiary holding the Jeju Project. The Company will not be subject to further capital requirements to the Jeju Project (on top of the current estimates as disclosed in the Prospectus), and hence has no current intention or plan to change the use of proceeds from the Rights Issue, as a result of the Acquisition.



With reference to the business results and operation of the Jeju Casino, the business of the Jeju Casino is self-sustainable. As such, the Target Group currently does not require further capital expenditure for the business of the Jeju Casino. Yet, for the operation of the Jeju Casino in long run or any possible expansion of its business in the future, the Board does not rule out the possibility that the Company may need to conduct further debt and/or equity fund raising exercises in future. The Company will make further announcement in accordance with the Listing Rules as and when appropriate and comply with the Listing Rules (including Shareholder's approval requirement), where applicable, for any change in the use of proceeds from the Rights Issue, or any fund raising exercise.

## **LISTING RULES IMPLICATIONS**

As one or more of the relevant percentage ratios applicable to the Acquisition exceeds 100%, the entering into of the Sale and Purchase Agreement constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules. To the best knowledge of the Company, no Shareholder has a material interest in the Acquisition and therefore no Shareholder is required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the SGM as at the date of this announcement.

## **GENERAL**

The Company will dispatch the circular in accordance with the requirements under the Listing Rules, containing among other things, (i) further information on the Target Group, the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Group upon Completion; and (iv) notice of the SGM. As the Company requires time for compiling the financial information for inclusion in the circular pursuant to the Listing Rules, the circular is expected to be despatched to the Shareholders on or before 31 August 2015.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m on 30 July 2015 pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 5 August 2015 following the publication of this announcement.

## **DEFINITIONS**

In this announcement, unless otherwise defined, terms used herein shall have the following meaning:

“Acquisition”	the acquisition of, among others, the Sale Shares and Sale Loan pursuant to the Sale and Purchase Agreement
“Announcements”	the announcements of the Company dated 18 November 2014 and 23 December 2014 in relation to the Deemed Disposal

“associate”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day which is not a Saturday, a Sunday or a public holiday on which licensed banks are generally open for business in Hong Kong throughout their entire normal business hours
“BVI”	the British Virgin Islands
“Company”	Landing International Development Limited, an exempted company incorporated in the Cayman Islands and continued in Bermuda, the Shares of which are listed on the main board of the Stock Exchange (stock code: 582)
“Completion”	completion of the Acquisition in accordance with the Sale and Purchase Agreement
“Completion Accounts”	the unaudited consolidated statement of financial position of the Target Group relating to the period from 23 December 2014 to the Completion Date; and the unaudited consolidated balance sheet of the Target Group as at the Completion Date to be prepared in accordance with the applicable financial rules and standards and in a manner consistent with past practice
“Deemed Disposal”	the subscription of 100 ordinary shares in the capital of Magical Gains by Pearl Concept pursuant to the subscription and loan agreement dated 18 November 2014 which was completed on 23 December 2014
“Director(s)”	director(s) of the Company
“Enlarged Group”	the Group after Completion
“Genting HK”	Genting Hong Kong Limited, a company incorporated in the Isle of Man and continued into Bermuda, having its ordinary shares primary listed on the main board of the Stock Exchange and secondary listed on the main board of the Singapore Exchange Securities Trading Limited
“Genting Know-how”	(i) the trade marks, service marks, trade names, logos, registered and unregistered design rights, and copyrights of Genting HK registered in Korea, and (ii) proprietary information, techniques and systems of Pearl Concept which have been applied for the operation of the Jeju Casino, excluding the casino management system

“Genting Singapore”	Genting Singapore PLC, a public limited company established under the laws of the Isle of Man and the shares of which are listing on the main board of the Singapore Exchange Securities Trading Limited
“Golden House”	Golden House Ventures Limited, a company incorporated in the BVI with limited liability
“Grand Express Holdings”	Grand Express Holdings Limited, a limited liability company incorporated under the laws of Hong Kong
“Grand Korea”	Grand Express Korea Co., Ltd., a company incorporated under the laws of Korea with limited liability
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Jeju Casino”	the casino operated by Grand Korea at Hyatt Regency Jeju Hotel
“Jeju Project”	the Myth-History Park project located at Seogwangril in Andeogmyeon, Seoguipo City, Jeju, Korea
“KRW”	Korean Won, the lawful currency of Korea
“Korea”	the Republic of Korea
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Magical Gains”	Magical Gains Holdings Limited, a company incorporated in the BVI with limited liability
“NPAT”	the Target Group’s net earnings or losses after interest, tax, depreciation, amortization and the assets write off resulting from the removal or cessation of use of Genting Know-how for the period from 23 December 2014 to the Completion Date as extracted from the Completion Accounts
“Pearl Concept”	Pearl Concept Enterprises Limited, a company incorporated in the BVI, which is an indirect wholly-owned subsidiary of Genting HK
“Prospectus”	the prospectus of the Company dated 29 June 2015
“Rights Issue”	the rights issue of the Company completed on 17 July 2015

“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 July 2015 made between the Company and Pearl Concept in relation to the Acquisition
“Sale Loan”	the loan in the principal amount of HK\$875,912,409 provided by Pearl Concept to Magical Gains
“Sale Shares”	100 ordinary shares in the capital of Magical Gains held by Pearl Concept
“SGM”	the special general meeting of the Company to be held for the purpose of considering and, if thought fit, approving the Sale and Purchase Agreement and the transactions contemplated thereunder
“Share(s)”	share(s) of HK\$0.1 each in the capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement made between Magical Gains, the Company and Pearl Concept on 23 December 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	Magical Gains and its subsidiaries
“Ultra Matrix”	Ultra Matrix International Limited, a company incorporated in the BVI with limited liability
“%”	per cent

By order of the Board  
**Landing International Development Limited**  
**Yang Zhihui**  
*Chairman and Executive Director*

Hong Kong, 4 August 2015

*As at the date of this announcement, the Board comprises Mr. Yang Zhihui (Chairman), Mr. Ng Kwok Fai (Deputy Chairman), Ms. Zhou Xueyun and Ms. Xu Ning as executive Directors and Mr. Fok Ho Yin, Thomas, Mr. Chen Lei and Ms. Zhang Xiaolan as independent non-executive Directors.*

*In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*