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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The board of directors (the "**Directors**") (the "**Board**") of Landing International Development Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2015.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2015

	Notes	**2015** **HK$'000**	2014 HK$'000 (Re-presented)
REVENUE	*7*	**246,500**	223,318
Cost of sales		**(200,242)**	(164,728)
Gross profit		**46,258**	58,590
Other income and gains	*7*	**119,332**	60,908
Distribution and selling expenses		**(13,929)**	(27,563)
Administrative expenses		**(409,982)**	(344,434)
Other expenses		**(752,349)**	(67,313)
Finance costs	*8*	**(78,678)**	(20,369)
Non-cash share option expenses		**–**	(3,974)
Share of profits and losses of:			
Joint ventures		**–**	–
Associate		**–**	–
LOSS BEFORE TAX	*9*	**(1,089,348)**	(344,155)
Income tax credit	*10*	**3,134**	1,499
LOSS FOR THE YEAR		**(1,086,214)**	(342,656)

	Note	2015 HK$'000	2014 HK$'000
Attributable to:			
Owners of the parent		**(987,971)**	(293,677)
Non-controlling interests		**(98,243)**	(48,979)
		(1,086,214)	(342,656)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			(Restated)
For loss for the year			
— Basic and diluted	*12*	**HK(77.46) cents**	HK(14.26) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

	2015	2014
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(1,086,214)**	(342,656)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(203,631)**	(121,052)
Reversal of translation reserve upon deconsolidation of subsidiaries	**–**	74,277
Reversal of translation reserve upon disposal of subsidiaries	**21,414**	–
Share of other comprehensive income of:		
Joint ventures	**–**	–
Associate	**–**	–
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods and other comprehensive loss for the year, net of tax	**(182,217)**	(46,775)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(1,268,431)**	(389,431)
Attributable to:		
Owners of the parent	**(1,123,954)**	(326,167)
Non-controlling interests	**(144,477)**	(63,264)
	(1,268,431)	(389,431)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2015

	Notes	**2015**	2014
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*13*	**1,689,470**	1,192,028
Investment property		**55,000**	–
Prepaid land lease payments		**14,568**	15,494
Goodwill		**5,438**	16,135
Intangible assets		**784,820**	57,176
Investments in joint ventures		**–**	876,132
Investment in an associate		**–**	–
Total non-current assets		**2,549,296**	2,156,965
CURRENT ASSETS			
Inventories		**45,719**	61,631
Properties under development		**1,135,733**	1,578,803
Trade and other receivables	*14*	**895,187**	427,229
Financial assets at fair value through profit or loss ("**FVTPL**")		**1,575,884**	–
Tax recoverable		**14,866**	2,284
Restricted cash		**–**	10,658
Cash and bank balances		**5,191,990**	1,655,667
Total current assets		**8,859,379**	3,736,272
CURRENT LIABILITIES			
Trade and other payables	*15*	**284,294**	389,614
Finance lease payables		**–**	66,091
Interest-bearing bank borrowings		**83,591**	89,676
Deferred revenue		**–**	84
Total current liabilities		**367,885**	545,465
NET CURRENT ASSETS		**8,491,494**	3,190,807
TOTAL ASSETS LESS CURRENT LIABILITIES		**11,040,790**	5,347,772

	Note	2015 HK$'000	2014 HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		**11,040,790**	5,347,772
NON-CURRENT LIABILITIES			
Other payables	*15*	**4,160**	–
Due to a non-controlling interest		**1,342,125**	598,826
Deferred tax liabilities		**6,105**	6,280
Finance lease payables		**–**	231,580
Total non-current liabilities		**1,352,390**	836,686
Net assets		**9,688,400**	4,511,086
EQUITY			
Equity attributable to owners of the parent			
Share capital		**2,056,588**	186,963
Reserves		**7,176,335**	3,724,169
		9,232,923	3,911,132
Non-controlling interests		**455,477**	599,954
Total equity		**9,688,400**	4,511,086

CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended 31 December 2015

	2015	2014
	HK$'000	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	**(1,089,348)**	(344,155)
Adjustments for:		
Changes in fair value of financial asset and liabilities at FVTPL, net	**(95,528)**	(25,645)
Bank interest income	**(12,540)**	(11,478)
Other interest income	**(4,277)**	–
Changes in fair value of investment property	**(31)**	–
Dividend Income	**(4,076)**	–
Gain on deemed disposal of subsidiaries	**–**	(20,422)
Loss on disposal of subsidiaries	**69,808**	–
Loss on step acquisition	**40,262**	–
Impairment of goodwill	**16,135**	59,000
Impairment of intangible assets	**46,180**	–
Impairment of items of property, plant and equipment	**56,676**	–
Finance costs	**78,678**	20,369
Impairment of trade and other receivables, net	**215,004**	8,313
Amortisation of prepaid land lease payments	**379**	398
Amortisation of intangible assets	**7,878**	8,333
Loss on disposal of financial assets at FVTPL, net	**308,284**	–
Depreciation	**49,669**	34,864
Loss on disposal of items of property, plant and equipment	**275**	1,113
Non-cash share option expenses	**–**	3,974
	(316,572)	(265,336)
Decrease in inventories	**15,972**	2,243
Increase in properties under development	**(540,025)**	(910,067)
(Increase)/decrease in trade and other receivables	**(651,851)**	222,364
Increase in trade and other payables	**139,368**	215,394
Increase in restricted cash	**(20,703)**	(10,658)
Decrease in deferred revenue	**(84)**	(172)
Cash used in operations	**(1,373,895)**	(746,232)
Interest received	**12,540**	11,478
Interest paid	**(68,058)**	(30,671)
Oversea tax paid	**(3,060)**	(6,079)
Net cash flows used in operating activities	**(1,432,473)**	(771,504)

	2015	2014
	HK$'000	*HK$'000*
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at FVTPL	**(2,096,534)**	–
Proceeds from disposal of financial assets at FVTPL	**311,970**	–
Purchase of items of property, plant and equipment	**(609,856)**	(936,914)
Proceeds from disposal of items of property, plant and equipment	**–**	292
Step acquisition of subsidiaries	**(85,506)**	–
Acquisition of assets and liabilities	**(55,000)**	(226,329)
Disposal of subsidiaries	**746,899**	–
Deemed disposal of subsidiaries	**–**	(50,599)
Net cash flows used in investing activities	**(1,788,027)**	(1,213,550)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from issue of share capital	**6,543,689**	2,683,640
Share issue expenses	**(97,944)**	(14,374)
Loan from the ultimate holding company	**–**	223,991
Repayment of loan from ultimate holding company	**–**	(594,000)
Repayment of finance lease payables	**(309,102)**	(33,046)
Loan from non-controlling interests	**789,002**	552,149
Capital injection from non-controlling interests	**–**	597,449
Repayment from joint ventures	**–**	125,000
Repayment to a related company	**–**	(123,273)
New bank and other borrowings	**1,804,027**	102,251
Repayment of bank and other borrowings	**(1,776,766)**	(108,591)
Net cash flows from financing activities	**6,952,906**	3,411,196
NET INCREASE IN CASH AND CASH EQUIVALENTS	**3,732,406**	1,426,142
Cash and cash equivalents at beginning of the year	**1,655,667**	265,956
Effect of foreign exchange rate changes, net	**(196,083)**	(36,431)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR AND REPRESENTED BY CASH AND BANK BALANCES	**5,191,990**	1,655,667

Notes:

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands and continued in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**). The registered office address of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, and the principal place of business of the Company is located at Suites 5801-04, 58th Floor, Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong.

During the year, the Group was principally engaged in development and operation of the integrated resort (the "**Integrated Resort Development**"); casino business (the "**Casino Business**"); design, manufacturing and sales of the light-emitting diode ("**LED**") and semiconductor lighting related products (the "**Lighting Business**"); and property development (the "**Property Development**").

2. BASIS OF PRESENTATION

In the preparation of these financial statements for the year ended 31 December 2015, the Directors have given careful consideration to the future liquidity of the Group in light of (i) the Group incurred a loss attributable to equity holders of the Company of approximately HK$987,971,000 for the year ended 31 December 2015; and (ii) as at 31 December 2015, the Group has capital commitments of approximately HK$1,992,236,000, interest-bearing bank borrowings of approximately HK$83,591,000 and, amount due to a non-controlling interest of approximately HK$1,342,125,000. Based on the cash flow projections prepared by the management with reference to the current business and financing plans of the Group, the Directors consider the Group will be able to finance its future working capital and fulfill its financial obligations as and when they fall due in the foreseeable future.

Accordingly, the consolidated financial statements have been prepared on the going concern basis.

3. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment property and financial assets at FVTPL, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2015. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current year's financial statements.

Amendments to HKAS 19 *Defined Benefit Plans: Employee Contributions*
Annual Improvements to HKFRSs 2010–2012 Cycle
Annual Improvements to HKFRSs 2011–2013 Cycle

The nature and the impact of each amendment is described below:

(a) Amendments to HKAS 19 apply to contributions from employees or third parties to defined benefit plans. The amendments simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction of service cost in the period in which the related service is rendered. The amendments have had no impact on the Group as the Group does not have defined benefit plans.

(b) The *Annual Improvements to HKFRSs 2010–2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 8 *Operating Segments*: Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.

- HKAS 16 *Property, Plant and Equipment* and HKAS 38 *Intangible Assets:* Clarifies the treatment of gross carrying amount and accumulated depreciation or amortisation of revalued items of property, plant and equipment and intangible assets. The amendments have had no impact on the Group as the Group does not apply the revaluation model for measurement of these assets.

- HKAS 24 *Related Party Disclosures:* Clarifies that a management entity (i.e., an entity that provides key management personnel services) is a related party subject to related party disclosure requirements. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment has had no impact on the Group as the Group does not receive any management services from other entities.

(c) The *Annual Improvements to HKFRSs 2011–2013 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 3 *Business Combinations:* Clarifies that joint arrangements but not joint ventures are outside the scope of HKFRS 3 and the scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is applied prospectively. The amendment has had no impact on the Group as the Company is not a joint arrangement and the Group did not form any joint arrangement during the year.

- HKFRS 13 *Fair Value Measurement:* Clarifies that the portfolio exception in HKFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of HKFRS 9 or HKAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which HKFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in HKFRS 13.

- HKAS 40 *Investment Property:* Clarifies that HKFRS 3, instead of the description of ancillary services in HKAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as the acquisition of investment property during the year was not a business combination and so this amendment is not applicable.

In addition, the Company has adopted the amendments to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") issued by the Stock Exchange relating to the disclosure of the financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

5. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 9	*Financial Instruments* [2]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception* [1]
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint Operations* [1]
HKFRS 14	*Regulatory Deferral Accounts* [3]
HKFRS 15	*Revenue from Contracts with Customers* [2]
Amendments to HKAS 1	*Disclosure Initiative* [1]
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation* [1]
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants* [1]
HKAS 27 (2011)	*Equity Method in Separate Financial Statements* [1]
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs [1]

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2018
[3] Effective for an entity that first adopts HKFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. The Group is currently assessing the impact of the standard.

The amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The Group expects to adopt the amendments from 1 January 2016.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In September 2015, the HKICPA issued an amendment to HKFRS 15 regarding a one-year deferral of the mandatory effective date of HKFRS 15 to 1 January 2018. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

(i) the materiality requirements in HKAS 1;
(ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
(iii) that entitles have flexibility as to the order in which they present the notes to financial statements; and
(iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The Group expects to adopt the amendments from 1 January 2016. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

6. OPERATING SEGMENT INFORMATION

For management purpose, the Group currently has four reportable operating segments that operate different business activities. They are managed separately and providing different products or services which require different marketing strategies.

The principal activities of each reportable segment are as follows:

(a) Integrated Resort Development;

(b) Casino Business;

(c) Lighting Business; and

(d) Property Development.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment loss, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that interest income, finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

Year ended 31 December 2015

	Integrated Resort Development *HK$'000*	Casino Business *HK$'000*	Lighting Business *HK$'000*	Property Development *HK$'000*	Total *HK$'000*
Segment revenue:					
Sales to external customers	**–**	**17,397**	**229,103**	**–**	**246,500**
Segment results	**(62,604)**	**(73,584)**	**(142,848)**	**(82,228)**	**(361,264)**
Reconciliation:					
Interest income and unallocated income					**108,099**
Corporate and other unallocated expenses, net					**(757,505)**
Finance costs					**(78,678)**
Share of profits and losses of:					
Joint ventures					**–**
Associate					**–**
Loss before tax					**(1,089,348)**
Other segment information:					
Depreciation and amortisation	**5,081**	**2,398**	**20,956**	**6,172**	**34,607**
Write-down of inventories to net realisable value	**–**	**–**	**12,437**	**–**	**12,437**
Impairment of goodwill	**–**	**–**	**16,135**	**–**	**16,135**
Impairment of intangible assets	**–**	**–**	**46,180**	**–**	**46,180**
Impairment of property, plant and equipment	**–**	**–**	**56,676**	**–**	**56,676**
Impairment of trade and other receivables, net	**–**	**–**	**5,004**	**–**	**5,004**

Year ended 31 December 2014

	Integrated Resort Development *HK$'000*	Casino Business *HK$'000*	Lighting Business *HK$'000*	Property Development *HK$'000*	Total *HK$'000*
Segment revenue:					
Sales to external customers	–	21,367	201,951	–	223,318
Segment results	(94,972)	(20,261)	(76,441)	(8,369)	(200,043)
Reconciliation:					
Interest income and unallocated income					31,900
Corporate and other unallocated expenses, net					(155,643)
Finance costs					(20,369)
Share of profits and losses of:					
Joint ventures					–
Associate					–
Loss before tax					(344,155)
Other segment information:					
Depreciation and amortisation	6,180	192	12,178	254	18,804
Write-down of inventories to net realisable value	–	–	10,805	–	10,805
Impairment of goodwill	–	–	59,000	–	59,000
Impairment of trade and other receivables, net	–	–	8,313	–	8,313

Geographical Information

(a) Revenue from external customers

	2015 *HK$'000*	2014 *HK$'000*
Mainland China	**159,752**	115,602
South Korea	**17,397**	21,367
Other countries	**69,351**	86,349
	246,500	223,318

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2015	2014
	HK$'000	*HK$'000*
Hong Kong	**467,364**	439,157
Mainland China	**87,216**	154,194
South Korea	**1,204,458**	614,171
	1,759,038	1,207,522

The non-current assets information above is based on the locations of the assets and excludes goodwill, intangible assets, investments in joint ventures and investment in an associate.

INFORMATION ABOUT A MAJOR CUSTOMER

During the year ended 31 December 2015, one of the external customers who each contributed over 10% of the Group's total revenue (2014: one). The total revenue earned from the customer amounted to approximately HK$30,913,000 (2014: HK$24,108,000).

7. REVENUE, OTHER INCOME AND GAINS

Revenue, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and aggregate of gaming wins and losses during the year.

An analysis of revenue, other income and gains is as follow:

	2015	2014
	HK$'000	*HK$'000*
Revenue		
Sale of goods	**229,103**	201,951
Casino revenue	**17,397**	21,367
	246,500	223,318

	2015	2014
	HK$'000	*HK$'000*
Other income and gains		
Bank interest income	**12,540**	11,478
Other interest income	**4,277**	–
Dividend income	**4,076**	–
Government grant	**375**	1,159
Changes in fair value of financial assets at FVTPL	**95,528**	25,645
Changes in fair value of investment property	**31**	–
Gain on deemed disposal of subsidiaries	**–**	20,422
Others	**2,505**	2,204
	119,332	60,908

8. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest on:		
Bank and other borrowings	**125,015**	63,066
Finance leases	**10,620**	14,282
Less: Interest capitalised	**(56,957)**	(56,979)
	78,678	20,369

9. LOSS BEFORE TAX

	2015	2014
	HK$'000	*HK$'000*
The Group's loss before tax is arrived at after charging/(crediting):		
Auditor's remuneration	**1,219**	1,506
Cost of inventories sold	**139,371**	114,553
Depreciation	**49,669**	34,864
Foreign exchange differences, net	**1,855**	4,945
Amortisation of prepaid land lease payments**	**379**	398
Amortisation of intangible assets**	**7,878**	8,333
Minimum lease payments under operating leases of land and buildings	**14,071**	14,796
Write-down of inventories to net realisable value*	**12,437**	10,805
Loss on disposal of item of property, plant and equipment**	**275**	1,113
Loss on step acquisition***	**40,262**	–
Loss on disposal of subsidiaries***	**69,808**	–
Loss on disposal of financial assets at FVTPL, net***	**308,284**	–
Impairment of goodwill***	**16,135**	59,000
Impairment of intangible assets***	**46,180**	–
Impairment of property, plant and equipment***	**56,676**	–
Impairment of trade and other receivables, net***	**215,004**	8,313
Employee benefits expenses (excluding directors' remuneration):		
Wages and salaries	**118,941**	83,683
Pension scheme contributions	**3,778**	10,146
Non-cash share option expenses	**–**	3,974
Less: Amount capitalised	**(31,105)**	(28,353)
	91,614	69,450

* Included in "Cost of sale" in the consolidated statement of profit or loss
** Included in "Administrative expenses" in the consolidated statement of profit or loss
*** Included in "Other expenses" in the consolidated statement of profit or loss

10. INCOME TAX

No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong during the years ended 31 December 2015 and 2014. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2015	2014
	HK$'000	*HK$'000*
South Korea Corporate Tax		
— Current	**3,458**	559
PRC Enterprise Income Tax		
— Over provision in prior years	**(174)**	–
	3,284	559
Deferred	**(6,418)**	(2,058)
Total tax credit for the year	**(3,134)**	(1,499)

11. DIVIDENDS

The Directors did not recommend the payment of a final dividend for the year ended 31 December 2015 (2014: nil).

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculations of basic and diluted loss per share are based on:

	2015	2014
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**987,971**	293,677

	Number of shares	
	2015	2014
	'000	*'000*
		(Restated)
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation as adjusted for share consolidation and rights issue which was completed on 15 June 2015 and 20 July 2015, respectively (2014: as adjusted for the share consolidation and rights issue which was completed on 15 June 2015 and 20 July 2015, respectively)	**1,275,422**	2,059,177

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2015 and 2014.

13. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2015, the Group had additions of property, plant and equipment at a total cost of approximately HK$638,371,000 (2014: HK$1,124,967,000).

14. TRADE AND OTHER RECEIVABLES

	2015 *HK$'000*	2014 *HK$'000*
Trade receivables due from third parties	**132,989**	125,265
Impairment	**(36,633)**	(33,223)
	96,356	92,042
Other receivables	**221,365**	26,512
Promissory note	**245,000**	–
Prepayments	**29,970**	9,283
Deposits	**302,496**	299,392
	798,831	335,187
Total trade and other receivables	**895,187**	427,229

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk and overdue balances are reviewed regularly by senior management.

In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2015 *HK$'000*	2014 *HK$'000*
Within 30 days	**28,175**	24,035
31 to 60 days	**17,965**	16,746
61 to 90 days	**13,854**	14,707
Over 90 days	**36,362**	36,554
	96,356	92,042

15. TRADE AND OTHER PAYABLES

	2015 HK$'000	2014 HK$'000
Trade payables due to third parties	**100,172**	110,973
Accruals	**124,397**	118,329
Deposits received	**7,501**	142,027
Other payables	**56,384**	18,285
	188,282	278,641
Total trade and other payables	**288,454**	389,614
Less: Non-current portion of other payables	**(4,160)**	–
Current Portion	**284,294**	389,614

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2015 HK$'000	2014 HK$'000
Within 30 days	**30,843**	71,313
31 to 60 days	**13,357**	12,460
61 to 90 days	**15,586**	9,393
Over 90 days	**40,386**	17,807
	100,172	110,973

The trade payables are non-interest bearing and are normally settled on terms of one to three months.

16. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transactions

(i) During the year ended 31 December 2015, finance cost of approximately HK$28,515,000 (2014: HK$46,677,000) and HK$26,263,000 (2014: HK$10,302,000) was capitalised to property, plant and equipment and properties under development, respectively.

(ii) During the year ended 31 December 2015, finance cost of approximately HK$30,000,000, which was prepaid in year 2014, was fully amortised upon full repayment of the relevant loan.

(iii) During the year ended 31 December 2014, the Group entered into finance lease arrangements in respect of property, plant and equipment with a total capital value at the inception of the lease of approximately HK$41,496,000.

17. EVENT AFTER THE REPORTING PERIOD

There is no material event after the reporting date.

18. COMPARATIVE AMOUNTS

Certain comparative amounts have been re-presented to conform to the presentation of current year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the year ended 31 December 2015, the Group's consolidated turnover was approximately HK$246,500,000 (2014: HK$223,318,000). A loss attributable to the owners of the parent approximately HK$987,971,000 (2014: loss of HK$293,677,000) was recorded. The increase in loss for the year when comparing to last year was mainly attributable to (i) loss on disposal of subsidiaries which engaged in the property development business in Yueyang, the People's Republic of China (the "**PRC**"); (ii) loss on disposal of the financial assets at FVTPL; (iii) increase in administrative expenses incurred in the construction and planning stages of the integrated resort development and property development; (iv) increase in finance costs and other operating and administrative expenses due to the Group expansion; and (v) increase in provision for impairment of assets and other receivables. The basic and diluted loss per share was HK77.46 cents (2014: basic and diluted loss per share of HK14.26 cents (restated)).

As at 31 December 2015, the consolidated net asset value per share attributable to equity holders of the Company was approximately HK$0.47 (2014: HK$0.21).

OPERATION AND BUSINESS REVIEW

The Company is an investment holding company, and during the year, the principal activities of the Group are (i) the Integrated Resort Development; (ii) the Casino Business; (iii) the Lighting Business; and (iv) the Property Development.

Integrated Resort Development

In March 2014, the Group completed both the acquisition of certain parcels of land totaling approximately 2,319,613 square meters located at Seogwang-ril in Andeog-myeon, Seoguipo City, Jeju, South Korea (the "**Land**") for the Myths and History Park project (the "**Jeju Project**") and the issue of 50% shares in Landing Jeju Development Co., Ltd. ("**Landing Jeju**") (the direct wholly owned subsidiary holding the Jeju Project) to Happy Bay Pte. Ltd. ("**HBL**") (a wholly owned subsidiary of Genting Singapore PLC ("**Genting Singapore**", together with subsidiaries, "**Genting Singapore Group**")), thereby forming a strategic partnership to develop, manage and operate the Jeju Project. Landing Jeju then became a non-wholly owned subsidiary of the Company and a shareholders agreement was entered.

The Board was of the view that, through the partnership with Genting Singapore Group, the Company would share not only the development costs of the Jeju Project with HBL but also be able to tap into the wealthy and successful experiences and expertise of the Genting Singapore Group in the management of the gaming and integrated resort development. A gaming operator agreement, a hotel operator agreement, a theme park operator agreement and a residential management agreement were entered to ensure that the fundamentals and facilities of the Jeju Project would be well built and managed by a quality and experienced management team.

During the year, Landing Jeju obtained building permits from the Jeju government (based on the current development plans) for zones A and R of the Land forming part of the Jeju Project, and a groundbreaking ceremony was held on 12 February 2015 in Jeju, South Korea to mark the official start of the construction works of the Jeju Project. The construction tendering process of zone A and the earthwork of zone R were started in August 2015. Zone A will be developed into a gaming and integrated resort comprising premium hotels and villa hotel and other conferencing and exhibition facilities, a gaming facility, a theme park and shopping and other entertainment and tourism facilities. Zone R will be developed into condominiums, villas, bungalows and other accommodation facilities.

During December 2015, the Jeju government has announced the designation of the districts of the Jeju Project (excluding, among others, areas designated for gaming facilities) as a Foreign Investment Zone ("**FIZ designation**") under the Foreign Investment Promotion Law. The Ministry of Strategy and Finance has subsequently approved the tax reduction request from Landing Jeju and so Landing Jeju is entitled to the following multiple tax relief benefits (the "**Tax Benefits**"):

(i) Corporation income Tax: 100% exemption according to foreign investment ratio for 5 years, 50% reduction for subsequent 2 years;

(ii) Customs/Individual Consumption Tax/Value Added Tax: 100% exemption for imported capital goods for 5 years; and

(iii) Acquisition Tax/Property Tax: 100% exemption for 15 years.

The FIZ designation is subject to the current investment plans and budgets of the Jeju Project submitted to the relevant government authorities, and the Tax Benefits will be terminated if the requirements of the entitlement are no longer being satisfied. As at the date of this announcement, the development of the Jeju Project is carried out in accordance with the current investment plans and budgets.

Casino Business

In June 2014, the Group, through its wholly owned subsidiary, Magical Gains Holdings Limited ("**Magical Gains**"), completed the acquisition of a casino in Hyatt Regency Jeju Hotel ("**Jeju Casino**") by acquiring of the entire issued share capital of Ultra Matrix International Limited.

To bring in the managerial expertise of established casino operator to the Jeju Casino and to broaden its clientele, on 23 December 2014, 50% issued share capital of Magical Gains was subscribed by Pearl Concept Enterprises Limited ("**Pearl Concept**"), a wholly owned subsidiary of Genting Hong Kong Limited ("**Genting HK**"), making the group of Genting HK as a joint venture partner of the Jeju Casino.

Taking into account the promising performance and optimistic prospect of the Jeju Casino and the Group's business objectives of establishing its own branding and presence in the gaming industry worldwide, the Company completed a very substantial acquisition of the 50% issued share capital of Magical Gains held by Pearl Concept on 19 October 2015, and the Company now owns the entire issued share capital of Magical Gains, and Magical Gains and its subsidiaries ("**Magical Gains Group**") have become wholly owned subsidiaries of the Company ("**Jeju Casino Acquisition**"). Accordingly, the Jeju Casino is solely owned and operated by the Company under its own brand name "Landing Casino". On top of the existing experienced and well trained managerial and operational teams of the Jeju Casino, the Company has further recruited other topnotched professionals who have extensive experience with Asia and/or international based gaming operations to strengthen the Jeju Casino and strategise for long term growth.

The Jeju Casino was suspended since October 2014 for renovation until January 2015. Due to the change of customer focus and marketing strategy and the strengthened managerial and professional support after the re-branding and re-opening in January 2015, the performance of the Jeju Casino has improved during the period immediate after its re-opening. However, due to the net liabilities of the Magical Gains Group, the Group shared no profit of joint venture from the business of Jeju Casino before the completion of the Jeju Casino Acquisition on 19 October 2015. Upon the completion of the Jeju Casino Acquisition, intangible asset of approximately HK$816,500,000, representing the fair value of the relevant casino license, and goodwill of approximately HK$5,438,000 were resulted. As at 31 December 2015, no impairment was made against the carrying amounts of the goodwill, relevant intangible asset and property, plant and equipment of the business of the Jeju Casino after impairment assessment. After the completion of the Jeju Casino Acquisition, revenue of approximately HK$17,397,000 was then generated from the business of Jeju Casino for the period from October 2015 to December 2015, representing a decrease of revenue by 18.6% when comparing to that of approximately HK$21,367,000 generated during June 2014 to October 2014 when the Jeju Casino was in operation in year 2014. The segment loss increased by 263.2% from approximately HK$20,261,000 for the year ended 31 December 2014 to approximately HK$73,584,000 for the year 2015 as a result of the increase of operating expenses and depreciation due to the expansion of the Casino Business.

To mitigate the risks in relation to the operation of the Casino Business, the Group implements relevant internal control and compliance policies. According to a comprehensive assessment on anti-money laundering conducted by the Financial Services Commission in Korea, the Jeju Casino achieved top ranking among 17 casinos in Korea with 'Excellent' grade in 2015. During the years of 2014 and 2015, international consultancy firms were engaged to conduct review of anti-money laundering and counter terrorist financial controls. The Group will continue to maintain effective controls and standards in operation and management of the Casino Business.

Lighting Business

Facing the oversupply situation in the LED industry, the pricing bargaining power of manufacturer was weak. The revenue increased by approximately 13% from approximately HK$201,951,000 for the year ended 31 December 2014 to approximately HK$229,103,000 for the year 2015, which was mainly stimulated by price reduction resulted from the keen competition. The gross profit of the Lighting Business was approximately HK$28,861,000 for the year ended 31 December 2015 while it was approximately HK$37,223,000 for the year 2014, representing a decrease in gross profit margin from 18.4% in year 2014 to 12.6% in year 2015.

As a result of the continuing non-performance of the Lighting Business shown by the drop of gross profit margin as well as the expected decrease in its revenue growth, during the year, the goodwill and intangible assets were fully impaired with respective impairment of approximately HK$16,135,000 (2014: HK$59,000,000) and HK$46,180,000 (2014: nil) being recognised. The relevant property, plant and equipment were also partially impaired with impairment of approximately HK$56,676,000 (2014: nil) being recognised during the year.

The recoverable amount of the cash-generating unit of the Lighting Business was determined by an independent qualified valuer, Roma Appraisals Limited (the "**Valuer**"), based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by the senior management of the Company.

In the process of the valuation, the Valuer has taken into account the uniqueness of the business operation and the LED industry in which the Lighting Business is participating. The income-based approach has been adopted rather than market-based approach or asset-based approach since the income-based approach could better reflect the market value of the Lighting Business without omitting most of the important assumptions.

The key underlying assumptions and respective changes used in the cash flow projections are summarized as follows:

— Average gross margins of 20% (2014: 23%) and average revenue growth rate of 12% (2014: 10%) to reflect the deterioration of the Lighting Business with reference to the average performance in the previous years and the expected returns within the relevant industry;

— Discount rate of 12.87% (2014: 10.46%) is used with reference to the current market data for the relevant industry and comparable companies; and

— Terminal growth rate of 2.48% (2014: 3.20%) is used with reference to Mainland China's average inflation rate in the past five years.

The LED products are under immense pressure to further lower prices due to the oversupply situation and keen competition within the industry.

Property Development

On 24 November 2015, the Company completed a disposal of the entire issued share capital of Double Earn Holdings Limited ("**Double Earn**"), which through its indirect wholly-owned subsidiary, was principally engaged in residential property development at Yueyang, Hunan Province, PRC (the "**Yueyang Disposal**"). The consideration for the Yueyang Disposal was HK$1,000,000,000, of which, HK$755,000,000 was settled by cash and the remaining balance of HK$245,000,000 was satisfied by the issue of a promissory note of the same face value by the purchaser. The promissory note bears an interest rate of 15% per annum, and as at 31 December 2015, the relevant accrued interest amounted to approximately HK$3,826,000.

Before the completion of the Yueyang Disposal, the residential property units were under pre-sale and so no revenue has been recognized for the Property Development during the year. As a result of the Yueyang Disposal, a loss on the disposal of approximately HK$69,918,000 has been recognised.

During the year, the accommodation facilities under the Jeju Project are still under construction and the relevant pre-sale has not yet commenced. As at 31 December 2015, properties under development amounted to approximately HK$1,135,733,000 were related to these developing properties.

OUTLOOK

Integrated Resort Development

The Jeju Project is expected to be one of South Korea's largest integrated resorts, spanning across a land area of approximately 2.5 million square metres. Slated to open progressively from 2017, the project is creating approximately 6,500 direct and 25,000 indirect job opportunities in a variety of positions. The project has achieved satisfactory progress in construction since its groundbreaking in February 2015, with the completion of capping in partial residential projects and presale of said accommodations commencing in the second quarter of 2016. Under the current development plan, the Jeju Project will house Jeju's largest family theme park offering more than 20 rides and attractions in 7 different zones under the themes of myths and legends from all over the world; Jeju's largest adventure waterpark and one of South Korea's most exciting themed retail and food complexes. Its premium hotels will have more than 2,000 rooms, boasting luxury villas, Jeju Island's first 6-star hotel and a destination spa. The hotels will be equipped with full meeting and conference facilities that are suitable for hosting regional and international meetings, incentives, conventions and events. In addition, the hotels will provide cultural facilities, leisure and entertainment amenities, as well as approximately 1,500 luxury serviced apartments and residential villas. The entire development is expected to be completed by 2019.

The Group believes nowadays tourists are no longer satisfied with simple and traditional gaming services. Instead, they are progressively turning towards pursuing an experience that combines shopping, dining, gaming and business that can only be provided by a world-class integrated entertainment resort. Thus, large scale integrated resort like the Jeju Project can truly satisfy the tourist needs and can further strengthen Jeju's reputation as a holiday paradise. As one of the six core projects in Jeju, the Jeju Project will become a world-class destination resort that has premium leisure and entertainment facilities which cater to local and overseas visitors of all age, and is expected to be one of the most popular tourism destination in the north pacific after its commencement.

The construction works of the Jeju Project have progressed in full swing. Landing Jeju will continue to work closely with the local government of Jeju, Korea to ensure the smooth progress and completion of the Jeju Project.

Casino Business

After completion of the Jeju Casino Acquisition on 19 October 2015, the Group currently solely owns and operates the Jeju Casino. Due to series of advantageous factors in South Korea, among others, including: (i) favorable visa/immigration policies for Chinese inbound travelers; (ii) the close proximity between Mainland China and South Korea; and (iii) improved direct access via flights and cruises, there is an upward trend in the number of Chinese tourists travelling to South Korea and the gaming industry in Korea is expected to gain advantage from the booming tourism in South Korea. The Group aims to develop the Jeju Casino as one of landmarks of Jeju Korea.

Lighting Business

Given that the products of the Lighting Business mainly consist of low end traditional LED products, such as through-hole LED and LED piranha and the entry barrier of the LED lighting industry is getting lower due to the widespread of technology, since 2013, competition in the LED lighting industry has been getting keener, the LED products are under immense pressure to further lower price due to the oversupply situation. The Directors expect that the unfavorable market trend of the LED lighting industry will continue, and so the Group has been diversifying its operations into various businesses and the Group is now focusing its resources and efforts in the Integrated Resort Development and the Casino Business. In view of the downturn of the LED lighting industry, the Group will closely monitor the market and adjust the pricing strategy to improve the performance of the Lighting Business or consider the possibility of downsizing or disposal of the Lighting Business.

Property Development

During the year, the construction works for the accommodation facilities under the Jeju Project have been started. As at the date of this announcement, the Group topped out 70% to 80% of the residential villas situated in zone R, and preliminary interior renovation has been commenced. The pre-sale permit for the residential property units developed under zone R of the Jeju Project has been obtained and the pre-sale is expected to be launched in the second quarter of 2016. The construction work of Zone R is planned to complete in early 2017. The actual completion date depends on and will be affected by the construction progress, market environment and other factors.

The Company will pay close attention to the performance of the existing businesses of the Group. At the same time, the management will proactively seek for any investment opportunity in other businesses with promising prospect and/or companies with profitability track record such that the income base of the Group could be broadened and diversified.

In addition, the Company will keep looking for fund raising opportunities to further strengthen the financial position of the Group as and when appropriate. As at the date of this announcement, the Company has not yet identified any suitable fund raising opportunity.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2015, the Group had non-current assets of approximately HK$2,549,296,000 (2014: HK$2,156,965,000) and net current assets of approximately HK$8,491,494,000 (2014: HK$3,190,807,000). The current ratio, expressed as the ratio of the current assets over the current liabilities, was 24.1 as at 31 December 2015 (2014: 6.85). The significant increase in net current assets and current ratio is mainly due to the increase in the cash and bank balances as at 31 December 2015 by approximately HK$3,536,323,000 after the completion of the rights issue on the basis of ten rights share for every ten shares held on the record date at HK$0.35 per rights share (the "**Rights Issue**") on 20 July 2015 with net proceeds of approximately HK$6,446,000,000 and the long-term shareholder's loan of KRW115 billion (equivalent to approximately HK$789,000,000) injected by HBL to Landing Jeju during the year.

For the year ended 31 December 2015, there were provision for impairment of trade receivables amounting to approximately HK$5,455,000 (2014: HK$5,082,000) and provision for impairment of other receivables (net) amounting to HK$209,549,000 (2014: HK$3,231,000), and these provisions mainly consisted of overdue receivables with long aging period and loss in credit to comply with the applicable accounting standards in accordance with the long outstanding loan and receivables. As at 31 December 2015, the Group had trade and other receivables of approximately HK$895,187,000 (2014: HK$427,229,000). As at 31 December 2015, the Group had bank balances and cash of approximately HK$5,191,990,000, with approximately HK$27,843,000 and HK$1,139,376,000 held in Renminbi ("**RMB**") and Korean Won respectively and the remaining held in Hong Kong dollar and United States dollar (2014: HK$1,655,667,000, with approximately HK$27,444,000 and HK$1,139,328,000 held in RMB and Korean Won respectively and the remaining in mainly Hong Kong dollar and United States dollar).

As at 31 December 2015, the Group had current trade and other payables of approximately HK$284,294,000 (2014: HK$389,614,000) and current bank borrowings in RMB with fixed interest rate of approximately HK$83,591,000 (2014: HK$89,676,000), while total liabilities amounted to approximately HK$1,720,275,000 (2014: HK$1,382,151,000). The Group's gearing ratio, which was measured on the basis of the Group's total liabilities divided by total assets, was 15.1% (2014: 23.5%).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

Securities Investments

As at 31 December 2015, the Group was holding listed equity investments at a fair value of approximately HK$610,715,000, which were classified as financial assets at FVTPL of the Group. An unrealised gain in respect of such investments of approximately HK$95,742,000 and a loss on disposal of approximately HK$308,284,000 were recognised in profit or loss during the year.

As at 31 December 2015, the Group was holding an unlisted investment fund at a fair value of approximately HK$965,169,000, which was classified as financial asset at FVTPL of the Group. Unrealised loss in respect of such investment of approximately HK$214,000 was recognised in profit or loss during the year.

Acquisition

Jeju Casino Acquisition

On 29 July 2015, 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 (i) 50% of the issued share capital of Magical Gains, and (ii) the loan in the principal amount of HK$875,912,409 provided by Pearl Concept to Magical Gains at the total consideration of KRW130,000,000,000 (equivalent to approximately HK$864,074,443). The completion of the Jeju Casino Acquisition took place on 19 October 2015 and the Jeju Casino is now owned as to 100% by the Company through its wholly owned subsidiaries. Details of which have been disclosed in the announcements of the Company dated 4 August 2015 and 19 October 2015 and the circular of the Company dated 23 September 2015.

London Casino Acquisition

On 7 December 2015, United Time Corporation Limited ("**United Time**"), an indirect wholly owned subsidiary of the Company, as the purchaser, the Company as the purchaser guarantor, Twinwood Limited ("**Twinwood**") as the seller and Bluestream Holdings Limited as the seller guarantor entered into the sale and purchase agreement, pursuant to which United Time has conditionally agreed to acquire and Twinwood has conditionally agreed to sell the entire issued share capital of Les Ambassadeurs Club Limited (the "**Target Company**") at the base consideration of £137,000,000 (equivalent to approximately HK$1,644,000,000) (subject to adjustments) (the "**London Casino Acquisition**"). As at 31 December 2015, £20,550,000 (approximately HK$240,188,000) has been paid as deposit for the London Casino Acquisition and such amount has been recognised as an other receivable included in the consolidated statement of financial position.

The Target Company principally engages in casino operation and is currently the owner and operator of Les Ambassadeurs Club (the "**Club**"). Les Ambassadeurs Club is one of the most exclusive and distinguished gambling clubs in the United Kingdom located in the very heart of London's upscale Mayfair district. The Club has an international customer base who are mainly ultra-high net worth individual customers. In recent years, emphasis of the Club has been put in expanding its Asian customer base to complement its more traditional strength with European and Middle Eastern customers.

As one or more of the relevant percentage ratios applicable to the Company exceeds 100%, the entering into of the London Casino Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. As at the date of this announcement, the relevant circular has not yet despatched. Details of which have been disclosed in the announcement of the Company dated 10 December 2015.

Disposal

On 29 September 2015, the Company as the vendor and Ngai Shun Holdings Limited ("**Ngai Shun**") as the purchaser entered into the sale and purchase agreement (as supplemented by the supplemental agreement dated 4 November 2015), pursuant to which the Company has conditionally agreed to sell and Ngai Shun has conditionally agreed to acquire the entire issued share capital of Double Earn and the loan in the principal amount of approximately HK$628,000,000 provided by the Company to the group of Double Earn at the total consideration of HK$1,000,000,000, of which, HK$755,000,000 was settled by cash and the remaining balance of HK$245,000,000 was satisfied by the issue of a promissory note of the same face value by Ngai Shun. Double Earn, which through its indirect wholly-owned subsidiary, was principally engaged in residential property development at Yueyang, Hunan Province, PRC. The completion of the Yueyang Disposal took place on 24 November 2015 and the group of Double Earn have ceased to be subsidiaries of the Company. Details of whuch have been disclosed in the announcements of the Company dated 29 September 2015, 4 November 2015 and 24 November 2015.

Saved as disclosed above, there was no other significant investment, material acquisition or disposal that should be notified to the shareholders of the Company during the year up to the date of this announcement.

The Company will make further announcement and comply with the relevant requirement under the Listing Rules as and when appropriate in case there is any investment(s) being identified and entered into by the Group. The Company does not rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future developments and/or investments of the Group and the Company will comply with the Listing Rules, where applicable, in this regard.

CAPITAL COMMITMENT

As at 31 December 2015, the Group had capital commitment of approximately HK$1,992,236,000 (2014: HK$655,887,000), in respect of the property development, purchase of production equipment and expansion of production lines.

Save as disclosed above, the Group did not have any material capital commitment.

CONTINGENT LIABILITY

As at 31 December 2015, the Group did not have any material contingent liability (2014: Nil).

CHARGES ON ASSETS

As at 31 December 2015, the following assets of the Group were pledged to certain banks to secure general banking facilities and finance lease payable granted to the Group:

	2015	2014
	HK$'000	*HK$'000*
Property, plant and equipment	**50,920**	530,382
Prepaid land lease payment	**14,942**	15,494
Intangible assets	**–**	33,668

Save as disclosed above, the Group did not have any material charges on assets.

CASH FLOW MANAGEMENT AND LIQUIDITY RISK

The Group's objective of cash flow management is to maintain a balance between continuity of funding and flexibility through a combination of internal resources, bank borrowings, and other debt or equity securities, as appropriate. The Group is comfortable with the present financial and liquidity position, and will continue to maintain a reasonable liquidity buffer to ensure sufficient funds are available to meet liquidity requirements at all times.

CURRENCY AND INTEREST RATE STRUCTURE

Business transactions of the Group are mainly denominated in Hong Kong dollar, RMB, Korean Won and United States dollar. Currently, the Group does not enter into any agreement to hedge against the foreign exchange risk. In view of the fluctuation of RMB, Korean Won and United States dollar in recent years, the Group will continue monitoring the situation closely and will introduce suitable measures as and when appropriate.

The Group had limited exposure to interest rate fluctuation on bank borrowings and amount due to a non-controlling interest as at 31 December 2015, as the interest rates of the bank borrowings and amount due to a non-controlling interest are fixed throughout their respective loan term.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2015, the Group had around 900 (2014: 600) full-time employees with total staff costs (including Directors remuneration) amounted to approximately HK$141,561,000 (2014: HK$109,550,000). Including management and administrative staff and production workers, most of the employees were stationed in Korea and the PRC while the rest were in Hong Kong. The remuneration, promotion and salary increments of employees are assessed according to the individual's performance, as well as professional and working experience, and in accordance with prevailing industry practices. The Group also offers variety of training schemes to its employees.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities of the Company during the year ended 31 December 2015.

CORPORATE GOVERNANCE

The Company is committed to uphold a high standard of corporate governance practices and business ethics in the belief that they are essential for maintaining and promoting investors' confidence and maximizing shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent local and international regulatory requirements, and fulfill its commitment to excellence in corporate governance.

During the year ended 31 December 2015, the Company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules.

DIRECTORS' SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 of the Listing Rules as its model code for securities transactions by the Directors. Following a specific enquiry to all Directors by the Company, all Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the year.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, including Mr. Fok Ho Yin, Thomas (committee chairman), Mr. Chen Lei and Mr. Bao Jinqiao.

There is no disagreement between the Board and the Audit Committee during the year. This annual results of the Group for the year ended 31 December 2015 had been reviewed by the Audit Committee and agreed by the auditor of the Company.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The annual report for the year ended 31 December 2015 containing all the information as required by the Listing Rules will be published on the websites of the Stock Exchange and the Company respectively and copies will be dispatched to shareholders of the Company in due course.

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

Hong Kong, 18 March 2016

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 Mr. Bao Jinqiao as independent non-executive Directors.

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