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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

The board of directors (the "**Directors**") (the "**Board**") of Landing International Development Limited (the "**Company**") hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2017 together with the comparative figures for the corresponding period in 2016. The audit committee of the Company (the "**Audit Committee**") has reviewed and discussed with the management of the Company the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2017.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 June 2017

	Notes	For the six months ended 30 June 2017 HK$'000 (Unaudited)	2016 HK$'000 (Unaudited) (Restated) (Note 7)
Continuing operations			
Revenue	6	**846,291**	325,390
Cost of inventories sold		**(119,118)**	–
Other gains/(losses), net		**28,575**	(7,299)
Gaming duties and other related taxes		**(148,843)**	(14,800)
Commission and allowances to gaming counterparties		**(42,688)**	(59,229)
Amortisation and depreciation		**(50,348)**	(31,269)
Employee benefit expenses		**(313,395)**	(178,373)
Other operating expenses		**(372,304)**	(371,136)
Finance income	8	**3,958**	31,767
Change in fair values of financial assets at fair value through profit or loss		**3,580**	(287,361)
Change in fair values of investment properties		**25,200**	(45,956)
Reversal of/(provision for) impairment of trade and other receivables, net		**188,126**	(3,991)
Profit/(loss) before income tax	9	**49,034**	(642,257)
Income tax expenses	10	**(8,620)**	(15,728)
Profit/(loss) for the period from continuing operations		**40,414**	(657,985)
Discontinued operations			
Profit/(loss) for the period from discontinued operations	7	**4,324**	(4,570)
Profit/(loss) for the period		**44,738**	(662,555)
Profit/(loss) attributable to:			
Owners of the Company		**48,583**	(526,456)
Non-controlling interests		**(3,845)**	(136,099)
		44,738	(662,555)
Earning/(loss) per share from continuing and discontinued operations attributable to owners of the Company			(Restated)
Basic and diluted:			
From continuing operations	12	**HK0.07 cents**	HK(2.35) cents
From discontinued operations	12	**HK0.01 cents**	HK(0.02) cents
		HK0.08 cents	HK(2.37) cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2017

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited) (Restated) *(Note 7)*
Profit/(loss) for the period	**44,738**	(662,555)
Other comprehensive income/(loss)		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of employee benefit obligations	**(687)**	–
Items that have been reclassified or may be subsequently reclassified to profit or loss:		
Fair value loss on available-for-sale financial asset	**(895)**	–
Currency translation differences	**543,591**	(84,603)
(Release)/realisation of exchange reserve upon disposal of subsidiaries	**(6,955)**	25
Other comprehensive income/(loss) for the period, net of tax	**535,054**	(84,578)
Total comprehensive income/(loss) for the period	**579,792**	(747,133)
Total comprehensive income/(loss) attributable to:		
Owners of the Company	**582,912**	(640,915)
Non-controlling interests	**(3,120)**	(106,218)
	579,792	(747,133)
Total comprehensive income/(loss) attributable to owners of the Company arising from:		
Continuing operations	**579,792**	(721,794)
Discontinued operations	**–**	(25,339)
	579,792	(747,133)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Notes	30 June 2017 HK$'000 (Unaudited)	31 December 2016 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*13*	**7,005,623**	3,437,671
Investment properties	*14*	**265,000**	239,800
Prepaid land lease payments		**–**	13,868
Goodwill	*15*	**444,511**	419,045
Intangible assets	*15*	**1,839,910**	1,734,441
Deposits	*17*	**107,005**	21,037
Deferred income tax assets		**13,711**	11,763
Available-for-sale financial asset	*18*	**974,105**	117,000
Total non-current assets		**10,649,865**	5,994,625
CURRENT ASSETS			
Inventories		**19,943**	52,057
Completed properties for sale		**1,164,896**	–
Properties under development		**251,706**	2,079,841
Trade and other receivables	*17*	**974,568**	1,495,283
Amount due from a joint venture	*16*	**–**	87,116
Financial assets at fair value through profit or loss	*19*	**548,544**	859,095
Income tax recoverable		**–**	2,715
Cash and cash equivalents		**1,365,426**	6,774,501
Total current assets		**4,325,083**	11,350,608
Total assets		**14,974,948**	17,345,233

	Notes	**30 June 2017** *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
EQUITY			
Share capital	*23*	**1,233,953**	2,056,588
Reserves		**11,639,684**	5,896,689
Equity attributable to owners of the Company		**12,873,637**	7,953,277
Non-controlling interests		**–**	1,147,864
Total equity		**12,873,637**	9,101,141
NON-CURRENT LIABILITIES			
Other payables	*20*	**22,513**	9,402
Other borrowings	*21*	**185,726**	195,250
Amounts due to a shareholder	*22*	**–**	5,361,193
Amounts due to a non-controlling interest		**–**	1,376,959
Deferred income tax liabilities		**192,802**	181,733
Total non-current liabilities		**401,041**	7,124,537
CURRENT LIABILITIES			
Trade and other payables	*20*	**975,659**	875,506
Bank and other borrowings	*21*	**52,152**	230,609
Amounts due to a shareholder	*22*	**653,426**	–
Income tax payable		**19,033**	13,440
Total current liabilities		**1,700,270**	1,119,555
Total liabilities		**2,101,311**	8,244,092
Total equity and liabilities		**14,974,948**	17,345,233

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Six months ended 30 June 2017

1. GENERAL INFORMATION

Landing International Development Limited (the "**Company**"), is a limited liability company incorporated in the Cayman Islands and continued in Bermuda, and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Group was principally engaged in development and operation of integrated leisure and entertainment resort (the "**Integrated Resort Development**"); gaming club and entertainment facilities (the "**Gaming Business**"); and property development (the "**Property Development**").

The condensed consolidated interim financial information is presented in Hong Kong dollar ("**HKD**"), unless otherwise stated.

Key Events

On 3 January 2017, the Company completed the acquisition of the entire issued share capital of Callisto Business Limited ("**Callisto**") and 50% issued share capital of Autumnglow Pte. Ltd. ("**Autumnglow**") from the wholly-owned subsidiaries of Genting Singapore PLC ("**Genting Singapore**"). Prior to the acquisitions, Callisto, through its subsidiary, was principally engaged in the investment holding of 50% issued share capital of Landing Jeju Development Co, Ltd. ("**Landing Jeju**") whereas Autumnglow was an associate of the Company, which has entered into the hotel operator agreement with Landing Jeju.

On 5 May 2017, the Company completed the disposal of Ace Winner Holdings Limited ("**Ace Winner**"). Ace Winner and its subsidiaries were principally engaged in design, manufacturing and sales of the light-emitting diode ("**LED**") and semiconductor lighting related products (the "**Lighting Business**") in the People's Republic of China (the "**PRC**"). Further details are set out in note 27 to the condensed consolidated interim financial information.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2017 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34, "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA ("**HKFRSs**").

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2016, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to HKFRSs effective for the financial year ending 31 December 2017.

(a) Amendments to HKFRSs effective for the financial year ending 31 December 2017 do not have a material impact on the Group

HKAS 7 (Amendment)	Statement of cash flows
HKAS 12 (Amendment)	Income taxes
HKFRS 12 (Amendment)	Disclosure of interest in other entities

(b) Impact of standards issued but not yet applied by the Group

(i) HKFRS 9 Financial instruments

HKFRS 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The standard does not need to be applied until 1 January 2018 but is available for early adoption. The Group is currently assessing whether it should adopt HKFRS 9 before its mandatory date.

The Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in earlier recognition of credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

(ii) HKFRS 15 Revenue from contracts with customers

The HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers revenue arising from the sale of goods and the rendering of services and HKAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption. The new standard is effective for first interim periods within annual reporting periods beginning on or after 1 January 2018, and will allow early adoption.

Management is currently assessing the effects of applying the new standard on the Group's financial statements.

At this stage, the Group is not able to estimate the effect of the new rules on the Group's financial statements. The Group will make more detailed assessments of the effect. The Group does not expect to adopt the new standard before 1 January 2018.

(iii) HKFRS 16 Leases

HKFRS 16 was issued in January 2016. It will results in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK$2,113,544,000 (note 24). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

4. ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016, except the following estimation:

Fair value of available-for-sale financial assets

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

5. FINANCIAL RISK MANAGEMENT

5.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

There have been no changes in the risk management policies since the year ended 31 December 2016.

5.2 Liquidity Risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year *HK$'000*	Between 1 and 2 years *HK$'000*	Between 2 and 5 years *HK$'000*	Over 5 years *HK$'000*	Total *HK$'000*
As at 30 June 2017					
Trade and other payables	**844,241**	**14,496**	**8,016**	**–**	**866,753**
Bank and other borrowings	**61,990**	**57,430**	**152,894**	**–**	**272,314**
Amounts due to a shareholder	**706,262**	**–**	**–**	**–**	**706,262**
	1,612,493	**71,926**	**160,910**	**–**	**1,845,329**
As at 31 December 2016					
Trade and other payables	584,043	3,748	5,654	–	593,445
Bank and other borrowings	250,070	28,245	197,028	–	475,343
Amounts due to a non-controlling interest	–	–	1,580,062	–	1,580,062
Amounts due to a shareholder	–	5,536,635	–	–	5,536,635
	834,113	5,568,628	1,782,744	–	8,185,485

5.3 Fair Value Estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

See note 14 for disclosures of the investment properties that are measured at fair value.

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2017.

	Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total *HK$'000*
Assets				
Equity investments *(Note 19)*	**176,788**	**–**	**–**	**176,788**
Investment fund *(Note 19)*	**–**	**371,756**	**–**	**371,756**
Available-for-sale financial asset *(Note 18)*	**–**	**–**	**974,105**	**974,105**
Total assets	**176,788**	**371,756**	**974,105**	**1,522,649**

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2016.

	Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total *HK$'000*
Assets				
Equity investments *(Note 19)*	462,070	–	–	462,070
Investment fund *(Note 19)*	–	397,025	–	397,025
Available-for-sale financial asset *(Note 18)*	–	–	117,000	117,000
Total assets	462,070	397,025	117,000	976,095

There were no transfers among Levels 1, 2 and 3 during the period.

There were no change in valuation techniques during the period.

Financial instruments in Level 3

The following table presents the changes in level 3 financial instruments for the period ended 30 June 2017:

	Available-for-sale financial assets *HK$'000*
Opening balance at 1 January 2017	117,000
Addition	858,000
Change in fair value	(895)
Closing balance at 30 June 2017	974,105
Total gain for the period included in profit or loss for asset held at the end of the period	–
Changes in unrealised gains for the period included in profit or loss at the end of the period	–

6. SEGMENT INFORMATION

The executive directors are the Group's Chief Operating Decision-Maker ("**CODM**"). Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions. The CODM considers the Group is operating predominantly in three operating segments from continuing operations as follows:

(a) Integrated Resort Development;

(b) Gaming Business; and

(c) Property Development.

The Group's CODM monitors the results of the operating segments separately for the purpose of allocating resources and assessing performance. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit or loss before income tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before income tax except that finance income, finance costs, changes in fair values of financial assets at fair value through profit or loss, changes in fair values of investment properties, gain/(loss) on disposal of subsidiaries as well as head office and corporate income and expenses are excluded from such measurement.

The following table presents revenue and results information regarding the Group's operating segments for the six months ended 30 June 2017 and 2016, respectively:

For the six months ended 30 June 2017

	Integrated Resort Development	**Gaming Business**	**Property Development**	**Total Continuing Operations**	**Lighting Business (Discontinued operations)** *(Note 7)*	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Revenue — external sales	**–**	**602,465**	**243,826**	**846,291**	**88,200**	**934,491**
Segment results	**(134,240)**	**45,271**	**56,476**	**(32,493)**	**(12,537)**	**(45,030)**
Unallocated corporate income				**305,497**	**16,861**	**322,358**
Unallocated corporate expenses				**(227,928)**	**–**	**(227,928)**
Finance income				**3,958**	**–**	**3,958**
Profit before tax				**49,034**	**4,324**	**53,358**

For the six months ended 30 June 2016

	Integrated Resort Development	Gaming Business	Property Development	Total Continuing Operations	Lighting Business (Discontinued operations) *(Note 7)*	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue — external sales	–	325,390	–	325,390	119,905	445,295
Segment results	(42,521)	82,077	(223,836)	(184,280)	(4,380)	(188,660)
Unallocated corporate income				3,229	–	3,229
Unallocated corporate expenses				(495,887)	–	(495,887)
Finance income				37,013	–	37,013
Finance cost				(2,332)	–	(2,332)
Loss before tax				(642,257)	(4,380)	(646,637)

Geographical Information

Revenue from external customers

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
South Korea	**418,370**	232,096
United Kingdom ("**UK**")	**427,921**	93,294
	846,291	325,390
Discontinued operations *(Note 7)*	**88,200**	119,905
	934,491	445,295

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

Information about Major Customers

During the six months ended 30 June 2017, one of the external customers contributed over 10% of the Group's total revenue. The revenue generated from this customer was amounted to HK$171,340,000.

During the six months ended 30 June 2016, there was no single external customer that has contributed over 10% of the Group's total revenue.

7. DISCONTINUED OPERATIONS

On 5 May 2017, the Group completed the disposal of Ace Winner, a wholly owned subsidiary of the Company, at cash consideration of HK$50,000,000. Its results are presented in this condensed consolidated interim financial information as a discontinued operations.

Financial information relating to Ace Winner and its subsidiaries for the period to the date of disposal is set out below. The statement of profit or loss and statement of cash flow distinguish discontinued operations from continuing operations and the respective comparative figures have been restated.

Statement of Profit or Loss Information

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	**88,200**	119,905
Expenses	**(100,737)**	(124,285)
Loss before income tax from discontinued operations	**(12,537)**	(4,380)
Income tax	**–**	(190)
Loss from discontinued operations	**(12,537)**	(4,570)
Gain on disposal of Ace Winner *(Note 27)*	**16,861**	–
	4,324	(4,570)
Gain/(loss) from discontinued operations attributable to:		
— Owners of the Company	**8,169**	(3,172)
— Non-controlling interests	**(3,845)**	(1,398)
	4,324	(4,570)

Analysis of the cash flows of discontinued operations is as follows:

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Operating cash flows	**17,866**	2,959
Investing cash flows	**(2,600)**	(9,205)
Financing cash flows	**(15,589)**	1,643
Total cash flows	**(323)**	(4,603)

8. FINANCE INCOME

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
		(Restated)
		(Note 7)
Bank and other interest income	**3,958**	31,767
Interest expenses on other borrowings	**29,641**	65,685
Imputed interest on amounts due to a shareholder	**148,935**	–
Less: Interest expenses capitalised	**(178,576)**	(65,685)
Finance costs	**–**	–
Finance income	**3,958**	31,767

9. PROFIT/(LOSS) BEFORE TAX

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
		(Restated)
		(Note 7)
Profit/(loss) before income tax is arrived at after charging:		
Minimum lease payments under operating leases of land and buildings	**34,961**	16,780
Aircraft operating expenses	**16,801**	17,527
Promotion expenses	**15,237**	8,336
Auditor's remuneration	**1,208**	210
Legal and professional fee	**63,178**	69,178
Sales and marketing expenses	**159,205**	223,910

10. INCOME TAX EXPENSES

No provision for Hong Kong profits tax has been made as the Group did not generate assessable profits arising in Hong Kong during the six months ended 30 June 2017 and 2016. Taxes on profits assessable elsewhere have been calculated at the tax rates prevailing in the countries in which the Group operates.

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
		(Restated)
		(Note 7)
Current tax		
— PRC	**196**	–
— UK	**7,941**	–
— South Korea	**483**	18,500
Over-provision in prior year	**–**	(2,772)
Income tax expenses	**8,620**	15,728

11. DIVIDEND

No dividend on ordinary shares has been paid or declared by the Company for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

12. EARNING/(LOSS) PER SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted earning/(loss) per share are based on:

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to owners of the Company, used in the basic and diluted earning/(loss) per share calculation:		
From continuing operations	**40,414**	(523,284)
From discontinued operations	**8,169**	(3,172)
	48,583	(526,456)
Number of shares	***'000***	*'000*
		(Restated)
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earning/(loss) per share calculation	**59,132,724**	22,251,607

The comparative of weighted average number of ordinary shares in issue has been restated because of the rights issue which was completed on 26 April 2017.

For the six months ended 30 June 2017 and 2016, diluted earning/(loss) per share equals basic earning/(loss) per share as there was no dilutive potential share.

13. PROPERTY, PLANT AND EQUIPMENT

	Total
	HK$'000
Six months ended 30 June 2017	
Opening amount as at 1 January 2017	**3,437,671**
Additions	**2,165,656**
Disposals	**(8,173)**
Depreciation	**(56,365)**
Transfer from properties under development	**1,356,608**
Currency translation differences	**182,084**
Disposal of subsidiaries *(Note 27)*	**(71,858)**
Closing amount as at 30 June 2017	**7,005,623**
At 30 June 2017	
Cost	**7,195,769**
Accumulated depreciation and impairment	**(190,146)**
Net book amount	**7,005,623**

14. INVESTMENT PROPERTIES

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Opening amount	**239,800**	55,000
Additions	**–**	230,756
Fair value gains/(losses)	**25,200**	(45,956)
Closing amount	**265,000**	239,800

The valuations of the investment properties at 30 June 2017 and 31 December 2016 were carried out by an independent qualified valuer, Roma Appraisals Limited.

The fair value measurement information for these investment properties in accordance with HKFRS 13 are given below.

	Fair value measurements at 30 June 2017		
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	HK$'000	***HK$'000***	***HK$'000***
Recurring fair value measurements			
Investment properties	**–**	**–**	**265,000**

	Fair value measurements at 31 December 2016		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	HK$'000	*HK$'000*	*HK$'000*
Recurring fair value measurements			
Investment properties	–	–	239,800

There were no transfers among Level 1, Level 2 and 3 during the period.

Level 3 fair values of investment properties have been derived using the direct comparison approach. The fair value is estimated using assumptions regarding the market value of the similar properties of the investment properties. A significant increase/decrease in the estimated market value in isolation would result in a significant increase/decrease in the fair value of the investment properties.

15. GOODWILL AND INTANGIBLE ASSETS

	Goodwill *HK$'000*	Intangible assets *HK$'000*
Six months ended 30 June 2017		
Opening amount	419,045	1,734,441
Currency translation differences	25,466	105,469
Closing amount	444,511	1,839,910

As at 30 June 2017, goodwill and intangible assets of HK$816,226,000 (2016: HK$769,534,000) and HK$1,468,195,000 (2016: HK$1,383,952,000) were allocated to Gaming Business in Jeju, South Korea, and London, UK, respectively.

There was no indicator for impairment on the goodwill and intangible assets in relation to the Gaming Business in Jeju, South Korea, and London, UK, based on the current operation performance and the expected future revenue growth rates.

16. INVESTMENT IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

	30 June 2017 ***HK$'000*** **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
Investment in a joint venture	**–**	–
Amount due from a joint venture	**–**	87,116
	–	87,116

On 15 May 2017, the Company completed the acquisition of the 75% issued share capital of Dragon Step Global Limited ("**Dragon Step**"), which was a joint venture company incorporated in the British Virgin Islands. As at the date of acquisition, Dragon Step's assets and liabilities mainly consisted of a non-current deposit. Subsequent to the acquisition, Dragon Step became a wholly owned subsidiary of the Company.

17. TRADE AND OTHER RECEIVABLES

	30 June 2017 *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
Trade receivables from third parties	**239**	121,914
Bills receivables	**–**	3,234
Provision for impairment	**–**	(37,670)
Trade and bills receivables, net *(Note i)*	**239**	87,478
Receivables from gaming customers *(Note ii)*	**360,685**	1,201,925
Other receivables *(Note iii)*	**326,631**	48,387
Prepayments	**112,883**	61,320
VAT recoverable	**161,835**	82,459
Deposits	**119,300**	34,751
Total trade and other receivables	**1,081,573**	1,516,320
Less: non-current portion	**(107,005)**	(21,037)
Current portion	**974,568**	1,495,283

Notes:

(i) Trade and Bills Receivables

The Group allows credit periods ranged from 30 days to 90 days to its trade customers. The following is an aging analysis of trade receivables net of impairment presented based on the invoice date at the end of the reporting period:

	30 June 2017 *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
0–30 days	**239**	34,781
31–60 days	**–**	15,428
61–90 days	**–**	11,219
Over 90 days	**–**	26,050
	239	87,478

(ii) Receivables from Gaming Customers

The following is an aging analysis of the receivables from gaming customers net of impairment based on due date at the end of the reporting period:

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Current	**6,699**	137,697
0–30 days	**175,664**	2,465
31–60 days	**9,267**	186,859
61–90 days	**18,023**	518,202
Over 90 days	**151,032**	356,702
	360,685	1,201,925

(iii) The Company reversed an impairment on other receivables amounting to HK$210,000,000 during the period. This amount was subsequently received in August 2017.

18. AVAILABLE-FOR-SALE FINANCIAL ASSET

The available-for-sale financial asset represented the investment in the TAR Private Equity Fund (the "**Fund**") by the Group as a limited partner. The Fund operates in or derives significant business opportunities from the financial services, natural resources and/or property investments sectors through investments identified by TAR Investments (Cayman) Limited, the general partner of the Fund, as set out in the Exempted Limited Partnership Agreement. As at 30 June 2017, the fair value of this investment held by the Group was approximately HK$974,105,000.

As at 30 June 2017, the Group is a limited partner of the Fund. The Directors considered that the Group is a passive investor as a limited partner and does not have any control nor significant influence over the Fund in accordance with HKFRS 10 and HKAS 28 respectively, as the Company does not have the power over nor the right to participate in the management or affairs of the Fund nor influence the decision of the general partner and/or the fund manager, which is an independent third party to the Group under the Exempted Limited Partnership Agreement entered with the general partner. This investment has been accounted for by the Group as available-for-sale financial asset.

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Listed equity investments at market value *(Note i)*	**176,788**	462,070
Unlisted investment fund *(Note ii)*	**371,756**	397,025
	548,544	859,095

Notes:

(i) The fair values were determined based on the current bid prices available on the Stock Exchange.

(ii) The Group held investment fund at an intermediary in Hong Kong. The investment was designated by the management as fair value through profit or loss and the fair value of the investment fund was determined by the quote from the intermediary.

20. TRADE AND OTHER PAYABLES

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables to third parties	**–**	79,039
Accruals, deposits received and other payables	**998,172**	805,869
	998,172	884,908
Less: non-current portion	**(22,513)**	(9,402)
Current portion	**975,659**	875,506

The following is an aging analysis of trade payables presented based on invoice date at the end of the reporting period:

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0–30 days	**–**	31,886
31–60 days	**–**	15,596
61–90 days	**–**	12,273
Over 90 days	**–**	19,284
	–	79,039

21. BANK AND OTHER BORROWINGS

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Bank borrowings, secured *(Note i)*	**–**	78,192
Other borrowings, secured *(Note ii)*	**237,878**	347,667
	237,878	425,859
Less: Non-current portion of other borrowings	**(185,726)**	(195,250)
Current portion	**52,152**	230,609

Notes:

(i) Secured by the Group's property, plant and equipment, and prepaid lease payments with the effective interest rates ranged from 4.7% to 5.0% per annum (31 December 2016: 4.8% to 6.2%). All bank loans were denominated in Renminbi.

(ii) Secured by the Group's plant and equipment, and investment properties with effective interest rates ranged 5.0% to 10.0% per annum (31 December 2016: 4.7% to 10.0%). Other loans are denominated in HKD and United States dollar ("**USD**").

Movements in borrowings are analysed as follows:

	HK$'000
Six months ended 30 June 2017	
Opening amount as at 1 January 2017	**425,859**
Proceeds of new borrowings	**624,787**
Interest expenses capitalised *(Note 8)*	**29,641**
Interest expenses	**1,312**
Disposal of subsidiaries *(Note 27)*	**(73,289)**
Repayments of borrowings	**(771,163)**
Currency translation differences	**731**
Closing amount as at 30 June 2017	**237,878**

22. AMOUNTS DUE TO A SHAREHOLDER

The amounts due to a shareholder are unsecured, interest-free and repayable in June 2018.

23. SHARE CAPITAL

	Number of shares in issue *'000*	**Share capital** *HK$'000*
Ordinary shares, issued and fully paid:		
At 1 January 2017	20,565,879	2,056,588
Cancellation of paid-up capital *(Note (a))*	–	(1,850,929)
Issuance of shares by rights issue *(Note (b))*	102,829,396	1,028,294
At 30 June 2017	123,395,275	1,233,953

Notes:

(a) With effective from 22 March 2017, the issued share capital of the Company was reduced through a cancellation of the paid-up capital of the Company to the extent of HK$0.09 on each of the issued ordinary shares of HK$0.10 each so that the nominal value of each issued new share is HK$0.01. The credit of approximately HK$1,850,929,000 arising from the capital reduction was credited to the contributed surplus of the Company.

(b) On 26 April 2017, the Company completed the rights issue on the basis of five rights shares for every one share held on the record date. 102,829,396,285 shares were issued at a subscription price of HK$0.05 per rights share with proceeds of approximately HK$5,063,252,000 (after netting off with related transaction costs amounting to approximately HK$78,217,650) being credited to the equity of the Company.

These shares rank pari passu with the existing ordinary shares of the Company in all respects.

24. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the total commitments payable in respect of office and factory premises under various noncancellable operating leases agreements are analysed as follows:

	30 June 2017 *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
Within one year	**63,540**	53,118
In the second year to fifth year both inclusive	**148,987**	141,077
After five years	**1,901,017**	1,549,407
	2,113,544	1,743,602

25. CAPITAL COMMITMENTS

	30 June 2017 *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
Contracted, but not provided for:		
Property, plant and equipment	**506,330**	1,661,676
Properties under development	**2,385,742**	1,312,014
Available-for-sale financial asset	**–**	858,000
	2,892,072	3,831,690

26. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to certain banks or financial institutions to secure general banking and borrowing facilities granted to the Group:

	30 June 2017 *HK$'000* **(Unaudited)**	31 December 2016 *HK$'000* (Audited)
Property, plant and equipment	**350,173**	435,436
Prepaid land lease payments	**–**	14,234
Investment properties	**55,000**	239,800

27. DISPOSAL OF SUBSIDIARIES

On 5 May 2017, the Company has completed the disposal of the entire issued share capital of Ace Winner, a wholly owned subsidiary of the Company, to an independent third party, at a total consideration of HK$50,000,000. Ace Winner and its subsidiaries were principally engaged in the Lighting Business in the PRC. A net gain on disposal of subsidiaries of HK$16,861,000 was recognised in the interim condensed consolidated statement of profit or loss for the period ended 30 June 2017. The gain on disposal of subsidiaries is summarized as follows:

	HK$'000
Sale consideration	**50,000**
Less: Net liabilities disposed of:	
— Property, plant and equipment	**71,858**
— Deposits	**216**
— Prepaid land lease payments	**13,806**
— Inventories	**32,156**
— Trade and other receivables	**108,276**
— Cash and cash equivalents	**16,518**
— Trade and other payables	**(113,896)**
— Bank and other borrowings	**(73,289)**
	(55,645)
Release of exchange reserve	**6,955**
Non-controlling interests	**17,424**
Gain on disposal of subsidiaries	**18,734**
Withholding tax on disposal of subsidiaries	**(1,873)**
Net gain on disposal of subsidiaries *(Note 7)*	**16,861**

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	HK$'000
Cash consideration	50,000
Cash and cash equivalents disposed of	(16,518)
Net Proceeds of disposal of subsidiaries	33,482

28. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

	For the six months ended 30 June	
	2017	2016
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Short-term benefits *(Note i)*	**16,958**	36,065
Recharge and rental for aircraft usage *(Note ii)*	**(13,165)**	–
Management fee income *(Note iii)*	**(1,440)**	(960)

Notes:

(i) The amounts represent remuneration of directors and other key management of the Company during the period, which was determined by the remuneration committee having regard to the performance of individuals and market trends.

(ii) The recharge and rental for aircraft usage was charged to Landing International Limited, the shareholder of the Company, at prices mutually agreed by both parties with reference to the prevailing market rates.

(iii) A related company engaged the Company to provide management services with a monthly fee of HK$240,000 which is mutually agreed by both parties from 1 March 2016.

29. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

These condensed consolidated interim financial information were approved and authorised for issue by the Board on 29 August 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 30 June 2017, the Group's consolidated revenue from continuing operations was approximately HK$846,291,000 (2016: approximately HK$325,390,000), representing an increase of 160% when compared to the corresponding period of 2016. The profit attributable to the owners of the Company was approximately HK$48,583,000 (2016: loss of approximately HK$526,456,000). The turnaround in the results for the period was mainly attributable to (i) segment profit of property development arisen from revenue recognition upon delivery of the properties to the purchasers; (ii) gain on fair value change of financial assets through profit or loss; (iii) gain on fair value change of investment properties; and (iv) reversal of impairment for other receivable. The basic and diluted earning per share from continuing operations attributable to owners of the Company was HK$0.07 cents (2016: loss per share HK$2.35 cents (restated)).

The revenue from discontinued operations amounted to approximately HK$88,200,000 for the six months ended 30 June 2017 (2016: approximately HK$119,905,000). The Group completed the disposal of the entire equity interests of Ace Winner which engaged in the Lighting Business in May 2017, which generated a gain on disposal of approximately HK$16,861,000 for the six months ended 30 June 2017. Its results are presented in this condensed consolidated interim financial information as a discontinued operations.

As at 30 June 2017, the consolidated net asset value per share attributable to owners of the Company was HK$0.10 (31 December 2016: HK$0.39).

OPERATION AND BUSINESS REVIEW

The Company is an investment holding company, and during the period under review after discontinuing the operations of the Lighting Business, the principal activities from continuing operations of the Group are (i) the Integrated Resort Development; (ii) the Gaming Business; and (iii) the Property Development.

Integrated Resort Development

The Company, through its subsidiary, Landing Jeju Development Co. Ltd ("**Landing Jeju**"), started investments in Jeju Shinhwa World ("**Jeju Shinhwa World**") in Jeju, South Korea in late 2013.

On 3 January 2017, the Group completed the acquisition of the entire issued share capital of Callisto (the "**Callisto Acquisition**"). Callisto is an investment holding company having 100% equity interest in Happy Bay Pte. Ltd. ("**HBL**") which holds 50% equity interest in Landing Jeju. Upon completion of the Callisto Acquisition, Landing Jeju became a wholly-owned subsidiary of the Company. Complete ownership and control of Jeju Shinhwa World will provide the Company a good opportunity to work towards the achievement of its business vision of becoming one of the global leaders in the tourism, leisure and entertainment industry, enhance the flexibility on the development of Jeju Shinhwa World and facilitate to build up the Company's presence and goodwill in the integrated resort and tourism sector.

Under the current development plan, Jeju Shinhwa World will house a family theme park offering more than 20 rides and attractions in 7 different zones under the themes of myths and legends from different parts of the world, a waterpark and one of South Korea's most exciting retail and food complex. Its premium hotels will have more than 2,000 rooms, boasting luxurious villas 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, Jeju Shinhwa World will provide cultural facilities, leisure and entertainment amenities, as well as luxurious resort condominium & villas. Jeju Shinhwa World, when completed, is expected to be an iconic mega tourist attraction in Asia.

Construction for phase one development of the hotels and the theme park has commenced in the first and second quarters of 2016 respectively. As at the date of this announcement, most of the construction for phase one has been completed or is close to be completed. Completion of Jeju Shinhwa World will take place progressively from the fourth quarter of 2017 onwards, and the entire project is expected to be completed by 2019.

Jeju Shinhwa World (excluding, among others, areas designated for gaming facilities) has been designated as a Foreign Investment Zone under the Foreign Investment Promotion Law in December 2015. Landing Jeju is entitled to the multiple tax relief benefits from 1 January 2016 onwards (details of which were disclosed in the announcement of the Company dated 10 December 2015).

Gaming Business

Jeju, South Korea

For the six months ended 30 June 2017, revenue generated from the business of Landing Casino was approximately HK$174,544,000 (2016: approximately HK$232,096,000). As at 30 June 2017, no impairment was made against the carrying amounts of the relevant goodwill, intangible asset and property, plant and equipment of the business of the Landing Casino after impairment assessment.

London, the UK

On 28 April 2016, the Group completed the acquisition of the entire issued share capital of Les Ambassadeurs Club Limited ("**LesA**") at the base consideration of GBP137,000,000 (subject to adjustments) (equivalent to approximately HK$1,542,765,000) (the "**Club Acquisition**"). Les A principally engages in Gaming Business and is the owner and operator of Les Ambassadeurs Club (the "**Les A Club**"). For the six months ended 30 June 2017, revenue of approximately HK$427,921,000 (28 April 2016 to 30 June 2016: approximately HK$93,294,000) was generated from the business of the Les A Club. As at 30 June 2017, no impairment was made against the carrying amounts of the relevant goodwill, intangible asset and property, plant and equipment of the business of the Les A Club after impairment assessment.

Total Gaming Business segment profit of approximately HK$45,271,000 (2016: approximately HK$82,077,000) was generated from the business of the Landing Casino and the Les A Club during the six months ended 30 June 2017.

To mitigate the risks in the operation of the Gaming Business, the Group has implemented appropriate internal control and compliance policies, especially in the areas of anti-money laundering and counter terrorist financial controls. The Group will continue to maintain effective controls and standards in the operation and management of the Gaming Business. Landing Casino was ranked top among the casinos in South Korea under the Anti-Money Laundering Assessment conducted by Korea Financial Intelligence Unit of the Financial Services Commission for two consecutive years of 2015 and 2016.

Property Development

The construction works for the resort condominiums and villas in zone R of Jeju Shinhwa World, which started since year 2015, have been completed and the occupation permit was issued in January 2017. Following the grant of the Certificate of Accommodation Business in January 2017, Landing Jeju opened Somerset Jeju Shinhwa World ("**Somerset**"), the first world-class fully serviced resort condominium in Jeju, in April 2017.

During the reporting period, some of the resort condominiums in zone R were sold and have been delivered to purchasers. As at 30 June 2017, approximately HK$1,164,896,000 (31 December 2016: Nil) was classified as completed properties for sale. For the six months ended 30 June 2017, revenue of HK$243,826,000 (2016: Nil) and profit of approximately HK$56,476,000 (2016: loss of approximately HK$223,836,000) were recorded in the Property Development segment.

Lighting Business

In view of downturn of the LED lighting industry, the Group had discontinued the Lighting Business by disposing of the entire issued share capital of Ace Winner, which through its subsidiaries, was principally engaged in the Lighting Business in the PRC. The disposal was completed on 5 May 2017.

The Group recorded a gain from the disposal for approximately HK$16,861,000 during the six months ended 30 June 2017. In respect of the discontinued operations, net loss for the six months ended 30 June 2017 was amounted to approximately HK$12,537,000 (2016: approximately HK$4,570,000). Detail of the results of the discontinued operations is presented in note 7 to the condensed consolidated interim financial information.

OUTLOOK

Integrated Resort Development

The Group is focusing on the preparation of Jeju Shinhwa World's commencement of the full resort operations by the end of 2017. Shinhwa Theme Park, in partnership with TUBAn Company Limited, one of the premier 3D animation companies in South Korea, is scheduled to be opened tentatively around the fourth quarter of 2017.

Landing Hotel, Marriott Resort and Spa, the entertainment zone designed by YG Entertainment, a destination spa , as well as food and beverage complex will be opened by the end of 2017. The entire development is expected to be completed by 2019.

In August 2017, Landing Jeju entered into (i) certain agreements with Four Seasons Hotels and Resorts Asia Pacific Pte Ltd and its affiliates, the world's leading luxury hospitality group, for the launch of a luxury Four Seasons resort in the heart of Jeju Shinhwa World, and (ii) a theme park development agreement with Lions Gate Entertainment Inc. ("**Lionsgate**"), a global entertainment and media leader, in relation to the development of Lionsgate's first branded outdoor theme park built exclusively around world-famous movies named 'Lionsgate Movie World' at Jeju Shinhwa World. Both the Four Seasons resort and Lionsgate Movie World are expected to be opened in 2019.

To continue the momentum of the phased openings and provide better product offerings to the customers of Jeju Shinhwa World, Landing Jeju plans to accelerate the completion of the waterpark, theme park hotel and dormitory and training facilities in 2018 (which formed parts of the phase two of Jeju Shinhwa World originally planned to be completed in 2019).

Jeju Shinhwa World has invited Mr. Kwon Ji-yong, best known by the stage name of G-Dragon, as the official brand ambassador. Recognized as one of the most influential leaders in music and fashion in Korea and Asia, G-Dragon will promote Jeju Shinhwa World via multiple marketing platforms.

Jeju Shinhwa World will be built with international standard and will provide a unique travel experience to all the tourists. The Group will also continue to work closely with the local government of Jeju, South Korea to ensure the smooth progress and completion of Jeju Shinhwa World. As one of the six core projects in Jeju, Jeju Shinhwa World will become a world-class destination resort that has premium leisure and entertainment facilities which cater to local and overseas visitors of all ages, and is expected to be one of the most popular tourism destinations in the North Asia after its commencement.

Gaming Business

The Group completed the Club Acquisition on 28 April 2016 and became the sole owner of Les A Club, an exclusive and distinguished club in the UK. Les A Club refined its practical gaming, culinary and concierge services and expanded its loyal and proud workforce to provide best-in-class and unparalleled experiences to enhance its target customers' satisfaction.

Another casino of the Group, Landing Casino, is located at Hyatt Regency Jeju Hotel in Jeju, South Korea. It is recognized that casino is one of the most essential facilities within an integrated resort to complement better offerings to its visitors with a complete hospitality experience and in order to leverage and utilize current casino operation resources within the Group's business as a whole, the Group is exploring the possibility of relocating Landing Casino to Jeju Shinhwa World. The Group will continue to develop the customer base to enhance the "Landing" brand as a world-class brand in the gaming and entertainment industry.

Property Development

The Group aims to provide a premium living environment for intelligence lifestyle. During the second half of 2017, the Group will focus on the progressive opening and marketing of theme park, hotels and various entertainment facilities in Jeju Shinhwa World. Due to such change of marketing focus, Landing Jeju will slow down the sale activities for properties, whereas it is believed that more facilities and attractions within Jeju Shinhwa World may result in better market response to the sale of properties by that time. Landing Jeju also plans to build a new lobby and guest facility within Somerset in order to meet the guests' expectation and operation needs.

The management of the Company expects rapid and continuous changes in global markets in the foreseeable future. Changes create not only challenges but also opportunities. The Company will constantly review the performance of the existing businesses and proactively seek for any investment project that provides promising prospects with profitability track record to contribute favourable income stream and generate the best return to the Group.

The Company will from time to time review the financing needs and budget to cater the business development of Jeju Shinhwa World, and will keep looking for fund raising opportunities to 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 30 June 2017, the Group had non-current assets of approximately HK$10,649,865,000 (31 December 2016: approximately HK$5,994,625,000) and net current assets of approximately HK$2,624,813,000 (31 December 2016: approximately HK$10,231,053,000). The current ratio, expressed as the ratio of the current assets of approximately HK$4,325,083,000 (31 December 2016: approximately HK$11,350,608,000) over current liabilities of approximately HK$1,700,270,000 (31 December 2016: approximately HK$1,119,555,000), was 2.5 as at 30 June 2017 (31 December 2016: 10.1). The significant decrease in current ratio was mainly due to the decrease in cash and cash equivalents for the construction payment during the period.

For the six months ended 30 June 2017, the reversal of impairment of trade and other receivables (net) from continuing operations amounted to approximately HK$188,126,000 (2016: impairment of approximately HK$3,991,000). The reversal represented the subsequent collection on bad debt from trade and other receivables which was made in prior years and 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 other receivables. As at 30 June 2017, the Group had trade and other receivables of approximately HK$1,081,573,000 (31 December 2016: approximately HK$1,516,320,000). As at 30 June 2017, the Group had bank balances and cash of approximately HK$1,365,426,000, with approximately HK$8,939,000, HK$520,739,000 and HK340,153,000 held in Renminbi ("**RMB**"), Korean Won and UK Pound ("**GBP**") respectively and the remaining mainly held in HKD and USD (31 December 2016: HK$6,774,501,000, with approximately HK$18,279,000, HK$850,682,000 and HK$171,649,000 held in RMB, Korean Won and GBP respectively and the remaining mainly held in HKD and USD). A significant decrease in the cash and cash equivalents was mainly due to the construction payment for the addition of property, plant and equipment in Integrated Resort Development and Property Development, as well as settlements of the amounts due to a shareholder.

As at 30 June 2017, the Group had current trade and other payables of approximately HK$975,659,000 (31 December 2016: approximately HK$875,506,000) and bank and other borrowings in HKD and USD with fixed and floating interest rate of approximately HK$33,160,000 and HK$204,718,000 respectively (31 December 2016: bank and other borrowings in HKD, USD and RMB with fixed and floating interest rate of approximately HK$78,192,000, HK$133,788,000 and HK$213,879,000 respectively). Total liabilities of the Group amounted to approximately HK$2,101,311,000 (31 December 2016: approximately HK$8,244,092,000). The Group's gearing ratio, which was measured on the basis of the Group's total liabilities divided by total assets, was 14.0% (31 December 2016: 47.5%).

CAPITAL STRUCTURE

On 22 March 2017, the Company completed (a) the capital reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK$0.09 on each of the issued ordinary shares of HK$0.10 each such that the nominal value of each issued new share would be HK$0.01; and (b) the sub-division on the basis that every unissued ordinary share of HK$0.10 each in the authorised but unissued share capital of the Company be sub-divided into ten new shares of HK$0.01 each.

Rights Issue

As at 30 June 2017, out of the net proceeds of approximately HK$6,446,000,000 raised by way of rights issue completed on 20 July 2015, approximately HK$5,970,000,000 has been applied as its intended use as stated in the prospectus of the rights issue dated 29 June 2015, and the remaining of approximately HK$476,000,000 will be applied to its intended use for the development of Jeju Shinhwa.

On 26 April 2017, the Company completed the right issue on the basis of five rights shares for every one share of the Company held on the record date at the subscription price of HK$0.05 per rights share (the "**2017 Rights Issue**"), and net proceeds of approximately HK$5,063,000,000 was raised by way of issuing 102,829,396,285 rights shares. As at 30 June 2017, the whole amount of such net proceeds has been applied as its intended use as stated in the prospectus of the 2017 Rights Issue dated 31 March 2017. Following the completion of the 2017 Rights Issue, the board lot size for trading in shares was changed from 5,000 shares to 60,000 shares.

As at 30 June 2017, the total number of issued ordinary shares of the Company is 123,395,275,542 shares with a nominal value of HK$0.01 each.

CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
Contracted, but not provided for:		
Property, plant and equipment	**506,330**	1,661,676
Properties under development	**2,385,742**	1,312,014
Available-for-sale financial asset	**–**	858,000
	2,892,072	3,831,690

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

CONTINGENT LIABILITY

As at 30 June 2017, the Group did not have any material contingent liability (31 December 2016: nil).

PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to certain banks to secure general banking and borrowing facilities granted to the Group:

	30 June 2017	31 December 2016
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**350,173**	435,436
Prepaid land lease payments	**–**	14,234
Investment properties	**55,000**	239,800

SEGMENT INFORMATION

Details of segment information of the Group for the six months ended 30 June 2017 are set out in note 6 to the condensed consolidated interim financial information.

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 financing, 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 HK dollar, RMB, Korean Won, Pounds Sterling and United States dollar. Currently, the Group has not entered into any agreement to hedge against the foreign exchange risk. In view of the fluctuation of RMB, Korean Won, Pounds Sterling 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 and other borrowings and amount due to a non-controlling interest as at 30 June 2017, as the interest rates of the bank and other borrowings and amount due to a non-controlling interest are fixed throughout their respective loan term.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

Investments

Financial assets at fair value through profit or loss

As at 30 June 2017, the Group was holding listed equity investments at a fair value of approximately HK$176,788,000 (representing approximately 1.18% of the total assets of the Company), which were classified as financial assets at fair value through profit or loss of the Group. Realized gain and unrealised loss in respect of such investments of approximately HK$45,872,000 and HK$17,023,000 respectively were recorded in profit or loss during the six months ended 30 June 2017. There was no single equity investment representing more than 1% of the total assets of the Company as at 30 June 2017.

As at 30 June 2017, the Group was holding an unlisted investment fund at a fair value of approximately HK$371,756,000 (representing approximately 2.48% of the total assets of the Company), which was classified as financial asset at fair value through profit or loss of the Group. The investment portfolio comprised listed and unlisted equities, including equity related instruments of convertible bonds, preference shares and warrants and the fund invested primarily in companies located in the PRC, Hong Kong, Macau and Taiwan and Singapore. Due to downward movements of the fund price, unrealised loss in respect of such investment of approximately HK$25,269,000 was recorded in profit or loss during the six months ended 30 June 2017. Details of which have been disclosed in the announcement of the Company dated 2 December 2015.

Available-for-sale financial asset

As at 30 June 2017, the Group was holding another unlisted investment fund at a carrying amount of HK$974,105,000 (representing approximately 6.50% of the total assets of the Company), which was classified as available-for-sale financial asset. The purpose of such fund is to carry on the business of investing, holding, monitoring and realizing investments made with the principal objective of achieving a high rate of return through capital appreciation through investments identified by the general partner that operate in or derive significant business opportunities from the financial services, natural resources and/or property investments sectors. A decrease in fair value in respect of such investment of approximately HK$895,000 was recorded in statement of comprehensive income during the six months ended 30 June 2017. Details of which have been disclosed in the announcement of the Company dated 5 December 2016.

Acquisitions

On 3 January 2017, the Group completed the acquisition of the entire issued share capital of Callisto at a total consideration of approximately HK$3,189,000,000. Callisto, through HBL, indirectly owns 50% of the issued share capital of Landing Jeju, a 50% owned subsidiary of the Company.

On 3 January 2017, the Group also completed the acquisition of 50% of the issued share capital of Autumnglow at a consideration of SGD1 (the "**Autumnglow Acquisition**").

Upon completions of the Callisto Acquisition and the Autumnglow Acquisition, Callisto and Autumnglow became the wholly-owned subsidiaries of the Company. Details have been disclosed in the circular and announcement of the Company dated 13 December 2016 and 3 January 2017 respectively.

Disposal

On 5 May, 2017, the Group completed the disposal of the entire issued share capital of Ace Winner which, through its subsidiaries, are engaged in the Lighting Business, at a consideration of HK$50,000,000. After the disposal, the Company is no longer the shareholder of Ace Winner and its subsidiaries (the "**Ace Winner Group**") and financial results, assets and liabilities of the Ace Winner Group ceased to be consolidated into the consolidated financial statements of the Company. Details of which have been disclosed in the announcement of the Company dated 28 April 2017.

Save as disclosed above, there was no other significant investment, material acquisition or disposal during the period under review that should be notified to the shareholders of the Company.

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.

EVENTS AFTER THE REPORTING PERIOD

Save as mentioned elsewhere in this announcement, there was no other significant event after the reporting period up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2017, the Group had around 1,100 (31 December 2016: 1,400) full-time employees (including management, administrative staff and production workers), with total staff costs amounted to approximately HK$313,395,000 (2016: HK$178,373,000) from continuing operations for the period under review. The employees were stationed in Hong Kong, South Korea and the UK. 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.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: nil).

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors or their respective associates was interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the Group's business, as at the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2017, the Company has applied the principles and complied with the applicable code provisions as set out in the Code on Corporate Governance Practices in Appendix 14 of the Listing Rules except those disclosed below.

On 26 June 2017, the Company failed to comply with Rule 3.10(1) and Rule 3.21 of the Listing Rules and the terms of reference of each of the audit committee, nomination committee and remuneration committee of the Company (the "**Board Committees**") after the retirement of Mr. Chen Lei as an independent non-executive Director, a member of each of the Board Committees. The Company is identifying a suitable candidate to fill up the vacancy of independent non-executive Director and a member of each of the Board Committees as soon as practicable within three months from 26 June 2017 pursuant to Rule 3.11 and Rule 3.23 of the Listing Rules. The Company will make further announcement as and when appropriate in this regard.

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "**Model Code**"). Having made specific enquiry, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2017.

AUDIT COMMITTEE REVIEW

As at the date of this announcement, the Audit Committee comprises Mr. Fok Ho Yin, Thomas (chairman of the Audit Committee) and Mr. Bao Jinqiao, the independent non-executive Directors. The Audit Committee has reviewed with the management in relation to the accounting principles and practices adopted by the Group and has discussed auditing, risk management, internal control and financial reporting matters including the review of the condensed consolidated interim financial information for the six months ended 30 June 2017.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Yang Zhihui (Chairman) and Ms. Zhou Xueyun as executive Directors and Mr. Fok Ho Yin, Thomas and Mr. Bao Jinqiao as independent non-executive Directors.

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

Hong Kong, 29 August 2017

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