澳門勵駿創建有限公司
Macau Legend Development Ltd

Macau Legend Development Limited
澳門勵駿創建有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1680)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

RESULTS

The Board announces the audited consolidated annual results of the Group for the year ended 31 December 2018 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Notes	2018 HK$'000	2017 HK$'000
REVENUE	3	**1,865,383**	1,836,057
Cost of sales and services		**(1,346,618)**	(1,341,174)
		518,765	494,883
Other income, gains and losses	5	**133,011**	(65,442)
Gain on disposal of a subsidiary	6	**3,430,078**	–
Impairment losses on financial assets		**(108,573)**	–
Impairment loss on goodwill		**(681,986)**	–
Impairment losses on other intangible assets		**(97,377)**	–
Marketing and promotional expenses		**(194,000)**	(183,791)
Operating, administrative and other expenses		**(439,393)**	(576,138)
Finance costs	7	**(109,344)**	(103,751)
PROFIT (LOSS) BEFORE TAXATION	8	**2,451,181**	(434,239)
Income tax expenses	9	**(485,075)**	(73,102)
PROFIT (LOSS) FOR THE YEAR		**1,966,106**	(507,341)

* *for identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2018

	Notes	2018 HK$'000	2017 HK$'000
Other comprehensive (expense) income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(9,063)**	51,222
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		**1,957,043**	(456,119)
Earnings (loss) per share			
– Basic (HK cents)	*11*	**31.4**	(8.1)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2018

	Notes	At 31 December 2018 HK$'000	At 31 December 2017 HK$'000
NON-CURRENT ASSETS			
Investment properties		**328,870**	340,133
Property and equipment		**6,454,850**	6,428,651
Prepaid lease payments		**1,256,559**	1,299,223
Goodwill		**–**	681,986
Other intangible assets		**156,387**	288,412
Deposits paid		**751,112**	750,360
Financial assets at fair value through profit or loss		**200,000**	–
		9,147,778	9,788,765
CURRENT ASSETS			
Inventories		**30,680**	39,959
Prepaid lease payments		**42,728**	42,723
Trade and other receivables	*12*	**317,528**	402,554
Pledged bank deposits		**6,525**	8,086
Short-term bank deposits		**2,077**	–
Bank balances and cash		**1,445,855**	235,625
		1,845,393	728,947
Assets classified as held for sale		**–**	1,159,112
		1,845,393	1,888,059
CURRENT LIABILITIES			
Trade and other payables	*13*	**673,028**	1,308,058
Taxation payable		**415,925**	1,650
Bank and other borrowings – due within one year		**231,542**	1,447,447
		1,320,495	2,757,155
Liabilities associated with assets classified as held for sale		**–**	727,230
		1,320,495	3,484,385
NET CURRENT ASSETS (LIABILITIES)		**524,898**	(1,596,326)
TOTAL ASSETS LESS CURRENT LIABILITIES		**9,672,676**	8,192,439

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2018

	At 31 December 2018	At 31 December 2017
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Bank borrowings – due after one year	**1,822,170**	1,019,830
Loans from a shareholder	**–**	771,234
Deferred tax liabilities	**158,564**	165,070
	1,980,734	1,956,134
NET ASSETS	**7,691,942**	6,236,305
CAPITAL AND RESERVES		
Share capital	**626,758**	626,758
Reserves	**7,065,184**	5,609,547
TOTAL EQUITY	**7,691,942**	6,236,305

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period.

The consolidated financial statements are presented in HK$, which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers"

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained earnings and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 and HKAS 11 and the related interpretations.

The directors of the Company have assessed the impact on application of HKFRS 15 and concluded that the application of HKFRS 15 had impact on presentation in the following area:

For the operation of a casino, in respect of goods and services provided to customers on a complimentary basis or related to the customer relationship programs, related costs on providing the goods and services to customers were previously included in marketing and promotional expenses, prior to 1 January 2018. Upon the application of HKFRS 15, these goods and services provided to customers are accounted for as a separate performance obligation. Transaction price is allocated to performance obligations for providing gaming and hotel operations and related services under the relative stand-alone selling prices. When the goods and services are provided to customers, revenue is recognised in the respective category. Related costs on providing the goods and services are recognised in cost of sales and services.

Impacts and changes in accounting policies of application on HKFRS 9 "Financial Instruments"

In the current year, the Group has applied HKFRS 9 "Financial Instruments" and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses ("ECL") for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 "Financial Instruments: Recognition and Measurement".

Summary of effect arising from initial application of HKFRS 9

(i) Classification and measurement of financial assets

The directors of the Company reviewed and assessed the Group's financial assets as at 1 January 2018 and concluded that there is no change in classification and measurement on the Group's financial assets.

(ii) Impairment under ECL model

The Group applies HKFRS 9 simplified approach for trade receivables to measure ECL which uses a lifetime ECL. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics.

ECL for other financial assets at amortised cost, including other receivables, pledged bank deposits, short term bank deposits and bank balances are assessed on 12 months expected credit loss basis as there had been no significant increase in credit risk since initial recognition.

At 1 January 2018, no additional credit loss allowance has recognised against retained profits.

3. REVENUE

An analysis of the Group's revenue is as follows:

	2018	2017
	HK$'000	*HK$'000*
Revenue from gaming related operations:		
Recognised over time:		
(i) from provision of gaming related facilities and gaming related general management services under the Service Agreement and indirect participation in the gaming promotion business under the VIE Structure in respect of:		
– Mass market tables	**958,037**	795,232
– VIP tables*	**161,565**	156,366
– Slot machines	**7,176**	12,037
	1,126,778	963,635
Recognised at a point in time:		
(ii) from operation of a casino in respect of:		
– Mass market tables	**109,205**	106,237
– VIP tables	**40,059**	41,962
– Slot machines	**81,898**	98,266
	231,162	246,465
Total gaming revenue	**1,357,940**	1,210,100
Revenue from non-gaming related operations:		
Recognised over time:		
Income from building management services	**21,528**	48,442
Rental income from hotel rooms	**234,458**	283,682
	255,986	332,124

* The amounts include outsourced VIP tables and indirect participation in the gaming promotion business in Macau through New Legend under the VIE Structure.

	2018	2017
	HK$'000	*HK$'000*
Recognised at a point in time:		
Food and beverage	**157,831**	169,388
Sales of merchandise	**7,394**	13,092
Others	**13,392**	8,232
	178,617	190,712
Licensing income from investment properties	**72,840**	103,121
Total non-gaming revenue	**507,443**	625,957
	1,865,383	1,836,057
Timing of revenue recognition for revenue from contracts with customers:		
– over time	**1,382,764**	1,295,759
– at a point in time	**409,779**	437,177
	1,792,543	1,732,936
Licensing income from investment properties	**72,840**	103,121
	1,865,383	1,836,057

4. SEGMENT INFORMATION

The Executive Directors have been identified as the chief operating decision maker. The Executive Directors review the Group's internal reports in order to assess performance and allocate resources.

For the provision of gaming related facilities and gaming related general management services, and the indirect participation in the gaming promotion business, the Executive Directors regularly analyse gaming related revenue in terms of service income from mass market tables, VIP tables and slot machines. For the operation of casinos, the Executive Directors regularly analyse gaming related revenue in terms of net difference between gaming wins and losses from mass market tables, VIP tables and slot machines. The Executive Directors review separately the entire revenues and operating results attributable to gaming related services and non-gaming operations. As such, the Executive Directors have identified the operating and reportable segments under HKFRS 8 "Operating Segments" as gaming and non-gaming operations.

The segment information is consistent with the internal information that is regularly reviewed by the Executive Directors for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has determined to organise the Group around differences in products and services. The principal activities of the operating and reportable segments are as follows:

Gaming – 1) Gaming related services for mass market tables, VIP tables and slot machines under the Service Agreement, whereby the revenue is derived based on net gaming wins. Revenue from the indirect participation in the gaming promotion business represents the sharing of gross gaming revenue generated by VIP gaming tables operated by a subsidiary, New Legend, through the VIE Structure; and 2) Casino operation in Lao PDR.

Non-gaming – operations at The Landmark Macau (disposed of on 27 April 2018), MFW and Savan Legend Resorts including hotel and other operations such as licensing income from the shops, provision of building management service, food and beverage and others. For segment reporting under HKFRS 8, financial information of these operations with similar economic characteristics has been aggregated into a single operating segment named "non-gaming".

Segment revenue and results:

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 31 December 2018

	Gaming	Non-gaming	Segment total	Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
External revenue	**1,357,940**	**507,443**	**1,865,383**	**–**	**1,865,383**
Inter-segment revenue	**–**	**148,609**	**148,609**	**(148,609)**	**–**
Segment revenue	**1,357,940**	**656,052**	**2,013,992**	**(148,609)**	**1,865,383**
Segment profit (loss)	**299,555**	**(237,668)**	**61,887**	**–**	**61,887**
Unallocated depreciation and amortisation					**(89,116)**
Unallocated corporate expenses					**(62,961)**
Gain on disposal of a subsidiary					**3,430,078**
Impairment loss on goodwill					**(681,986)**
Impairment losses on other intangible assets					**(97,377)**
Finance costs					**(109,344)**
Profit before taxation					**2,451,181**

For the year ended 31 December 2017

	Gaming	Non-gaming	Segment total	Elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
External revenue	1,210,100	625,957	1,836,057	–	1,836,057
Inter-segment revenue	–	212,103	212,103	(212,103)	–
Segment revenue	1,210,100	838,060	2,048,160	(212,103)	1,836,057
Segment profit (loss)	138,270	(293,753)	(155,483)	–	(155,483)
Unallocated depreciation and amortisation					(101,266)
Unallocated corporate expenses					(73,547)
Unallocated exchange loss, net					(192)
Finance costs					(103,751)
Loss before taxation					(434,239)

Inter-segment revenue is charged at amounts agreed by both parties.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the results of each segment without allocation of depreciation of certain investment properties and certain property and equipment, release of prepaid lease payments arising from the fair value adjustments on acquisition of the MFW Group and amortisation of other intangible assets, unallocated corporate expenses, net exchange difference, gain on disposal of a subsidiary, impairment loss on goodwill, impairment losses on other intangible assets and finance costs. Unallocated corporate expenses include directors' remuneration paid or payable by the Company and certain administrative expenses for corporate use. This is the measure reported to the Executive Directors for the purposes of resource allocation and performance assessment.

No analysis of the Group's assets and liabilities by operating and reportable segments is disclosed as it is not regularly provided to the Executive Directors for review.

5. OTHER INCOME, GAINS AND LOSSES

	2018	2017
	HK$'000	*HK$'000*
(a) Other income		
Insurance claims received arising from typhoon	**74,595**	55,001
Bank interest income	**25,401**	84
Others	**32,635**	11,386
	132,631	66,471
(b) Other gains and losses		
Exchange gain, net	**6,676**	1,628
Write-off of property and equipment	**(5,455)**	(121,118)
Loss on disposal of property and equipment	**(841)**	(427)
Allowance for bad and doubtful debts, net	–	(11,996)
	380	(131,913)
	133,011	(65,442)

6. DISPOSAL OF A SUBSIDIARY

On 9 November 2017, the Group entered into a sale and purchase agreement with the Purchasers, pursuant to which the Purchasers agreed to buy the entire issued share capital in NML, which is a company holding, The Landmark Macau, and all obligations, liabilities and debts owing or incurred by NML to Hong Hock at a cash consideration of HK$4,600,000,000. The Disposal was completed on 27 April 2018.

An analysis of assets and liabilities of NML as at the Disposal date was as follows:

	HK$'000
Investment properties	**110,480**
Property and equipment	**602,444**
Prepaid lease payments	**388,868**
Deposits paid for acquisition of property and equipment	**4,202**
Inventories	**4,048**
Trade and other receivables	**23,047**
Amounts due from group companies	**23,252**
Bank balances and cash	**6,998**
Trade and other payables	**(55,475)**
Loans from a group company	**(1,504,854)**
Amount due to a group company	**(335)**
Amount due to a related company	**(187)**
Net liabilities disposed of	**(397,512)**

Gain on disposal of a subsidiary is calculated as follow:

Consideration received	**4,600,000**
Expenses incurred on disposal of a subsidiary	**(62,580)**
Net liabilities disposed of	**397,512**
Sale of loans from a group company	**(1,504,854)**
Gain on Disposal	**3,430,078**

Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary:

Cash consideration received	**4,600,000**
Less: Deposits received from the Disposal included in liabilities associated with assets classified as held for sale as at 31 December 2017	**(660,000)**
Bank balances and cash disposed of	**(6,998)**
	3,933,002

7. FINANCE COSTS

	2018	2017
	HK$'000	*HK$'000*
Interest on bank borrowings	**79,886**	96,923
Interest on loans from a shareholder	**12,003**	32,575
Amortisation of finance costs on bank borrowings	**16,015**	15,110
Other finance costs	**1,440**	2,708
Total borrowing costs	**109,344**	147,316
Less: Capitalised borrowing costs in construction in progress (included in property and equipment)	**–**	(43,565)
	109,344	103,751

During the year ended 31 December 2017, borrowing costs capitalised during the year arose from the general borrowing pool and are calculated by applying a capitalisation rate of 4.0% per annum to expenditure on qualifying assets (2018: nil).

8. PROFIT (LOSS) BEFORE TAXATION

	2018	2017
	HK$'000	HK$'000
Profit (loss) before taxation has been arrived at after charging (crediting):		
Staff costs		
Directors' remuneration	**22,566**	20,835
Other staff costs		
– salaries and other benefits	**440,632**	452,776
– contributions to retirement benefits schemes	**8,960**	8,335
Total staff costs	**472,158**	481,946
Allowance for inventories (included in cost of sales and services)	**5,502**	291
Amortisation of other intangible assets (included in cost of sales and services and operating, administrative and other expenses of HK$1,733,000 (2017: HK$1,693,000) and HK$33,168,000 (2017: HK$33,168,000), respectively)	**34,901**	34,861
Auditor's remuneration	**3,580**	3,530
Cost of inventories recognised as an expense (included in cost of sales and services)	**99,907**	78,775
Depreciation of investment properties	**11,263**	14,295
Depreciation of property and equipment	**344,907**	390,825
Minimum lease payments under operating leases in respect of leasehold land and buildings	**6,459**	5,560
Pre-opening expenses	**–**	48,141
Release of prepaid lease payments	**42,720**	54,443
Gross licensing income from investment properties	**(72,840)**	(103,121)
Less: Direct operating expenses that generate licensing income from investment properties	**11,263**	14,295
Net licensing income from investment properties	**(61,577)**	(88,826)

9. INCOME TAX EXPENSES

	2018	2017
	HK$'000	HK$'000
Current tax charges		
– Macau Complementary Tax	**(414,673)**	(1,650)
– Lao PDR flat tax	**(76,908)**	(77,958)
	(491,581)	(79,608)
Deferred taxation credit	**6,506**	6,506
Income tax expenses	**(485,075)**	(73,102)

10. DIVIDEND

	2018	2017
	HK$'000	*HK$'000*
2018 special dividend of HK$0.08 per ordinary share	**501,406**	–

No dividend was paid or proposed for ordinary shareholders of the Company since the end of the reporting period.

11. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the owners of the Company is based on the following data:

Earnings (loss)

	2018	2017
	HK$'000	*HK$'000*
Profit (loss) for the year for the purposes of basic earnings (loss) per share	**1,966,106**	(507,341)

Number of shares

	2018	2017
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**6,267,576**	6,267,576

Diluted earnings (loss) per share is not presented as the Company does not have any dilutive potential ordinary share for both years.

12. TRADE AND OTHER RECEIVABLES

	At 31 December 2018 HK$'000	At 31 December 2017 HK$'000
Trade receivables	**207,815**	188,795
Less: Impairment allowance	**(50,584)**	(14)
	157,231	188,781
Chips on hand	**41,660**	53,024
Other receivables and deposits	**95,347**	82,847
Less: Impairment allowance	**(58,003)**	–
	37,344	82,847
Prepayments	**34,755**	37,171
Receivables from gaming operator received on behalf of gaming promoters	**46,538**	40,731
Total trade and other receivables	**317,528**	402,554

The following is an ageing analysis of trade receivables net of allowance for bad and doubtful debts and impairment allowance presented based on the invoice date at the end of the reporting period:

	At 31 December 2018 HK$'000	At 31 December 2017 HK$'000
Within 3 months	**145,926**	103,290
Over 3 months but within 6 months	**2,270**	8,149
Over 6 months but within 1 year	**5,385**	3,588
Over 1 year	**3,650**	73,754
	157,231	188,781

13. TRADE AND OTHER PAYABLES

Trade and other payables principally comprise amounts outstanding for ongoing costs and construction work. The average credit period granted by the Group's creditors is one month to three months.

	At 31 December 2018	At 31 December 2017
	HK$'000	*HK$'000*
Trade payables	**49,476**	48,962
Construction and retention payables	**234,660**	818,699
Other payables	**149,789**	189,338
Amounts due to gaming promoters	**23,518**	44,272
Deposits received from tenants	**27,679**	27,598
Deposits received from gaming promoters	**13,000**	26,000
Accrued staff costs	**120,896**	111,180
Other sundry accruals	**54,010**	42,009
Total trade and other payables	**673,028**	1,308,058

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

	At 31 December 2018	At 31 December 2017
	HK$'000	*HK$'000*
Within 3 months	**48,933**	47,037
Over 3 months but within 6 months	**490**	306
Over 6 months but within 1 year	**1**	616
Over 1 year	**52**	1,003
	49,476	48,962

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of Results

For the year ended 31 December 2018, the Group achieved a total reported revenue of approximately HK$1,865.4 million, representing an increase of approximately HK$29.3 million or approximately 1.6% over that of the last corresponding year of approximately HK$1,836.1 million. Breakdown of the Group's reported revenue for the year ended 31 December 2018 and 2017 is as follows:

	2018	2017
	HK$'000	*HK$'000*
Gaming services:		
– Legend Palace Casino		
– Mass market tables	**560,901**	271,648
– VIP tables*	**115,538**	29,091
– Slot machines	**6,071**	4,996
	682,510	305,735
– Babylon Casino		
– Mass market tables	**81,120**	80,957
– VIP tables*	**27,955**	29,769
– Slot machines	**1,105**	718
	110,180	111,444
– Landmark Casino (formerly known as Pharaoh's Palace Casino)		
– Mass market tables	**316,016**	442,627
– VIP tables*	**18,072**	97,506
– Slot machines	**–**	6,323
	334,088	546,456
– Savan Legend Casino		
– Mass market tables	**109,205**	106,237
– VIP tables	**40,059**	41,962
– Slot machines	**81,898**	98,266
	231,162	246,465
Sub-total for gaming services	**1,357,940**	1,210,100

* The amounts include outsourced VIP tables and indirect participation in the gaming promotion business in Macau through New Legend under the VIE Structure.

	2018	2017
	HK$'000	*HK$'000*
Non-gaming operations		
– MFW	**416,596**	394,205
– The Landmark Macau	**69,222**	209,539
– Savan Legend	**21,625**	22,213
Sub-total for non-gaming operations	**507,443**	625,957
Total reported revenue	**1,865,383**	1,836,057

For the year ended 31 December 2018, gaming revenue of the Group increased by approximately 12.2% to approximately HK$1,357.9 million, offset by decreased non-gaming revenue of approximately 18.9% to approximately HK$507.4 million, respectively, when compared to the last corresponding year. The increase in gaming revenue was primarily due to the increase in the reported revenue contributed from Legend Palace Casino to approximately HK$682.5 million, which was offset by (i) the decrease in reported revenue contributed by Savan Legend Casino to approximately HK$231.2 million and (ii) the decrease in reported revenue contributed by Landmark Casino to approximately HK$334.1 million. The significant increase in gaming revenue of Legend Palace Casino was mainly due to a full year operation in 2018 as comparing to the 10 months operation with its opening on 27 February 2017 and temporary cessation of operation caused by Typhoon Hato in 2017.

The decrease in non-gaming revenue was primarily due to the cessation of consolidation of The Landmark Macau's revenue starting from 28 April 2018, which resulted in the decrease in reported revenue contributed by The Landmark Macau of approximately 67.0%.

Adjusted EBITDA for the year ended 31 December 2018 was approximately HK$359.8 million, representing an increase of approximately HK$81.6 million or approximately 29.4% over that of the last corresponding year. The following table reconciles the Adjusted EBITDA to the profit (loss) attributable to owners of the Company:

	2018			2017		
	The Group excluding Savan Legend	**Savan Legend**	**Consolidated**	The Group excluding Savan Legend	Savan Legend	Consolidated
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Profit (loss) attributable to owners of the Company	**1,942,692**	**23,414**	**1,966,106**	(532,772)	25,431	(507,341)
Adjustments for:						
Finance costs	**109,344**	**–**	**109,344**	103,751	–	103,751
Depreciation of investment properties	**11,263**	**–**	**11,263**	14,295	–	14,295
Depreciation of property and equipment	**336,014**	**8,893**	**344,907**	370,452	20,373	390,825
Release of prepaid lease payments	**42,310**	**410**	**42,720**	54,044	399	54,443
Amortisation of other intangible assets	**33,168**	**1,733**	**34,901**	33,168	1,693	34,861
Loss on disposal of property and equipment	**509**	**332**	**841**	427	–	427
Impairment losses on trade receivables	**50,567**	**3**	**50,570**	–	–	–
Impairment losses on other receivables	**58,003**	**–**	**58,003**	–	–	–
Impairment loss of goodwill	**681,986**	**–**	**681,986**	–	–	–
Impairment losses of other intangible assets	**97,377**	**–**	**97,377**	–	–	–
Write-off of property and equipment	**–**	**5,455**	**5,455**	–	–	–
Write-off of property and equipment as a result of typhoon Hato	**–**	**–**	**–**	121,118	–	121,118
Unrealized exchange (gain) loss	**(40)**	**1,363**	**1,323**	(573)	192	(381)
Pre-opening expenses *(remark)*	**–**	**–**	**–**	48,141	–	48,141
Bank interest income	**(25,401)**	**–**	**(25,401)**	(84)	–	(84)
Gain on disposal of a subsidiary	**(3,430,078)**	**–**	**(3,430,078)**	–	–	–
Compensation income	**(74,595)**	**–**	**(74,595)**	(55,001)	–	(55,001)
Income tax expenses	**408,168**	**76,907**	**485,075**	(4,856)	77,958	73,102
Adjusted EBITDA	**241,287**	**118,510**	**359,797**	152,110	126,046	278,156

Remark: Pre-opening expenses represent mainly staff related costs, marketing and other administrative expenses incurred prior to the opening of new or expanded operations of the Group for the relevant periods.

An analysis of the Adjusted EBITDA by segments (after elimination of inter-segment results) is as follows:

	2018			2017		
	The Group excluding Savan Legend	**Savan Legend**	**Consolidated**	The Group excluding Savan Legend	Savan Legend	Consolidated
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Gaming services	**443,009**	**178,907**	**621,916**	315,175	195,098	510,273
Non-gaming operations	**(152,668)**	**(60,397)**	**(213,065)**	(95,569)	(69,052)	(164,621)
Sub-total	**290,341**	**118,510**	**408,851**	219,606	126,046	345,652
Unallocated corporate expenses*	**(49,054)**	**–**	**(49,054)**	(67,496)	–	(67,496)
Adjusted EBITDA	**241,287**	**118,510**	**359,797**	152,110	126,046	278,156

* The amounts represented the unallocated corporate expenses, offsetting with its inter-segment elimination.

Adjusted EBITDA from operations of the Group excluding Savan Legend and unallocated corporate expenses, mainly arising from the operations at The Landmark Macau (before Disposal) and MFW Group, for the year ended 31 December 2018 increased by approximately 32.2% to approximately HK$290.3 million when compared to the last corresponding year. Adjusted EBITDA of Savan Legend decreased by approximately 6.0% to approximately HK$118.5 million for the year ended 31 December 2018 from approximately HK$126.0 million for the last corresponding year.

The Group's profit for the year ended 31 December 2018 was approximately HK$1,966.1 million, when compared to the loss of approximately HK$507.3 million in the last corresponding year. The significant increase in profit was mainly due to (i) gain on disposal of a subsidiary after the completion of the Disposal in April 2018 and (ii) the recovering gaming performance with positive effort on expenses streamline.

As at 31 December 2018, due to the uncertainties arising from the possible economic slowdown in Macau and PRC as a result of trade war, as well as the change of our VIP gaming operation, the management of the Group has performed detailed reassessment on recoverability of certain individual VIP gaming patrons and VIP rooms operators (e.g. reviewing corresponding repayment history), as well as future profitability of Macau's gaming business (e.g. reviewing future cash flow forecast). Based on the results of reassessment, impairments were made on corresponding balances of certain individual VIP gaming patrons and VIP rooms operators of approximately HK$85.9 million, goodwill of approximately HK$682.0 million and other intangible assets of approximately HK$97.4 million, respectively.

Dividend

The Board has declared a special dividend of HK8 cents per Share, amounting to approximately HK$501.4 million, and was made payable on 12 July 2018. The Board does not declare any final dividend for the year ended 31 December 2018 (2017: nil).

FINANCIAL AND OPERATIONAL REVIEWS

A. Gaming Services

The Group's revenue from gaming services consisted of (i) service income received from SJM for services and facilities provided relating to mass market tables, VIP tables and slot machines and (ii) casino operations in the Lao PDR.

As at 31 December 2018 and 2017, the Group had the following number of gaming tables and slot machines in its casinos which were put into operation:

	At 31 December 2018					At 31 December 2017				
	Legend Palace Casino	**Babylon Casino**	**Landmark Casino**	**Savan Legend Casino**	**Total**	Legend Palace Casino	Babylon Casino	Landmark Casino	Savan Legend Casino	Total
Mass market tables	**55**	**18**	**66**	**49**	**188**	48	18	60	39	165
VIP tables	**25**	**7**	**6**	**17**	**55**	21	7	11	20	59
Total gaming tables	**80**	**25**	**72**	**66**	**243**	69	25	71	59	224
Slot machines	**112**	**57**	**–**	**415**	**584**	88	28	–	305	421

As at 31 December 2018, the Group had a total of 194 gaming tables in Macau (31 December 2017: 194), of which 177 (31 December 2017: 165) were put into operation. The Group had 66 (31 December 2017: 59) gaming tables which were put into operation in the Lao PDR. During the year ended 31 December 2018, operation of slot machines at Landmark Casino has been terminated. As at 31 December 2018, no slot machine was installed at Landmark Casino.

The following tables set out certain key operational data of mass market tables, VIP tables and slot machines for the year ended 31 December 2018 and 2017:

Mass Market Tables

	Legend Palace Casino For the year ended 31 December			Babylon Casino For the year ended 31 December			Landmark Casino For the year ended 31 December			Savan Legend Casino For the year ended 31 December		
	2018	2017	Change	**2018**	2017	Change	**2018**	2017	Change	**2018**	2017	Change
	HK$'000	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*
Games drop	**5,058,386**	3,307,454	52.9	**852,281**	1,021,834	(16.6)	**3,002,633**	4,183,344	(28.2)	**447,394**	475,306	(5.9)
Net win	**1,002,894**	493,904	103.1	**145,356**	146,978	(1.1)	**574,574**	804,777	(28.6)	**116,137**	109,960	5.6
Hold rate	**19.83%**	14.93%	4.9	**17.05%**	14.38%	2.7	**19.14%**	19.24%	(0.1)	**25.96%**	23.13%	2.8
Average number of tables	**50**	48	4.2	**16**	24	(33.3)	**63**	60	5.0	**49**	45	8.9
Net win per table per day	**55**	28	96.4	**25**	17	47.1	**25**	37	(32.4)	**6**	7	(14.3)

VIP Tables

	Legend Palace Casino For the year ended 31 December			Babylon Casino For the year ended 31 December			Landmark Casino For the year ended 31 December			Savan Legend Casino For the year ended 31 December		
	2018	2017	Change	**2018**	2017	Change	**2018**	2017	Change	**2018**	2017	Change
	HK$'000	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*
Games turnover	**19,297,580**	4,046,000	377.0	**624,576**	635,582	(1.7)	**7,646,685**	18,042,746	(57.6)	**3,533,233**	4,033,045	(12.4)
Net win	**626,800**	85,318	634.7	**40,313**	51,584	(21.8)	**261,228**	612,950	(57.4)	**108,114**	113,323	(4.6)
Win percentage	**3.25%**	2.11%	1.1	**6.45%**	8.12%	(1.7)	**3.42%**	3.40%	0.0	**3.06%**	2.81%	0.3
Average number of tables	**30**	12	150	**7**	12	(41.7)	**9**	24	(62.5)	**17**	24	(29.2)
Net win per table per day	**58**	19	205.3	**16**	12	33.3	**80**	70	14.3	**17**	13	30.8

Slot Machines

	Legend Palace Casino For the year ended 31 December			Babylon Casino For the year ended 31 December			Landmark Casino For the year ended 31 December			Savan Legend Casino For the year ended 31 December		
	2018	2017	Change	**2018**	2017	Change	**2018**	2017	Change	**2018**	2017	Change
	HK$'000	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*	***HK$'000***	*HK$'000*	*%*
Slot handle	**264,267**	182,135	45.1	**46,899**	28,865	62.5	–	256,146	N/A	2,026,425	2,491,438	(18.7)
Net win	**14,766**	12,548	17.7	**2,761**	1,836	50.4	–	16,888	N/A	83,775	98,425	(14.9)
Hold rate	**5.59%**	6.89%	(1.3)	**5.89%**	6.36%	(0.5)	–	6.59%	N/A	4.13%	3.95%	0.2
Average number of slot machines	**97**	76	27	**42**	48	(12.5)	–	142	N/A	411	421	(2.4)
Net win per slot machines per day	**0.4**	0.5	(20.0)	**0.2**	0.1	100	–	0.3	N/A	0.6	0.6	0.0

B. Non-gaming Operations

For the year ended 31 December 2018, the Group recorded a total non-gaming revenue of approximately HK$507.4 million, decreased by approximately HK$118.5 million or approximately 18.9% when compared to the last corresponding year.

The following table provides details on the composition of the Group's non-gaming revenue:

	2018			2017		
	The Group excluding Savan Legend	**Savan Legend**	**Consolidated**	The Group excluding Savan Legend	Savan Legend	Consolidated
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Rental income from hotel rooms	**229,211**	**5,247**	**234,458**	281,375	2,307	283,682
Licensing income from investment properties	**72,566**	**274**	**72,840**	102,932	189	103,121
Income from building management services	**21,528**	**–**	**21,528**	48,442	–	48,442
Food and beverage	**142,817**	**15,014**	**157,831**	151,811	17,577	169,388
Sales of merchandise	**7,213**	**181**	**7,394**	13,092	–	13,092
Others	**12,483**	**909**	**13,392**	6,092	2,140	8,232
Total revenue from non-gaming operations	**485,818**	**21,625**	**507,443**	603,744	22,213	625,957

The decrease in non-gaming revenue was primarily due to the decrease in revenue of approximately HK$140.3 million contributed by The Landmark Macau after the Disposal.

The following table sets out certain key operational data on our major hotel operations of the Group for the year ended 31 December 2018 and 2017:

	2018	2017
Legend Palace Hotel		
Occupancy rate (%)	**95.7**	84.0
ADR (HK$)	**1,650.8**	1,439.4
REVPAR (HK$)	**1,579.9**	1,209.1
Harbourview Hotel		
Occupancy rate (%)	**94.5**	86.3
ADR (HK$)	**959.4**	885.3
REVPAR (HK$)	**906.7**	764.0
Landmark Hotel*		
Occupancy rate (%)	**87.2**	85.0
ADR (HK$)	**1,080.3**	1,020.2
REVPAR (HK$)	**942.0**	867.2

* The operational data for Landmark Hotel only covered the period from 1 January 2018 to 27 April 2018.

C. Corporate and Business Updates

(a) MFW Redevelopment

Legendale Hotel

Re-design of the construction of the hotel is now in progress in order to meet the height requirements of the relevant government authority in Macau.

(b) Disposal of NML

On 9 November 2017, the Group entered into a sale and purchase agreement with, among others, the Purchasers, pursuant to which the Purchasers agreed to purchase the entire issued share capital in NML and all obligations, liabilities and debts owing or incurred by NML to Hong Hock for a consideration of HK$4,600,000,000. The Disposal was completed on 27 April 2018. Details of the Disposal were set out in the Company's announcement dated 9 November 2017, circular dated 22 December 2017 and announcement dated 27 April 2018, respectively.

(c) An Investment Project in Cape Verde

On 22 July 2015, the Company entered into several agreements with the Government of Cape Verde for an investment project in Cape Verde, with an expected investment amount of approximately €250 million (equivalent to approximately HK$2,150 million). Details of the investment project in Cape Verde were set out in the Company's announcement dated 22 July 2015.

With the completion of superstructure work of the office building in 2017, the Group shall revisit the construction plan of the hotel and casino complex.

(d) An Investment Project in Hengqin

On 27 February 2019, the Company entered into agreements with certain sellers in Macau for an investment project in Hengqin, with an investment amount of approximately HK$84 million. Details of the investment project in Hengqin were set out in the Company's announcement dated 27 February 2019.

Outlook

The Group's revenue and Adjusted EBITDA improved during the year under review with the casino operations within the Legend Palace Hotel delivering solid results.

The Group continues to improve and upgrade its operations at MFW, and is working towards the introduction of a virtual reality experience centre, a wax museum and new dining facilities in the second half of 2019. The convention and exhibition centre will also be upgraded with completion targeted for 2020. Together with the continued improvement of existing offers, the new additions will further reposition MFW as a prime tourist attraction on the Macau Peninsula.

Each of the Group's new overseas projects is carefully managed to ensure they are developed in line with the growth in the tourism related infrastructure and tourism markets in each specific country.

In Lao PDR, Savan Legend Resorts is continuously contributing stable return to the Group during the year. The Group remains positive in the longer term growth, and is currently considering an expansion of the hotel, gaming and non-gaming facilities at this project.

In Cape Verde, the Group has completed the superstructure work of the office building, and is now revisiting the overall construction plan of the hotel and casino complex, in order to meet the requirements of the Group's future business strategy.

The Group is actively finalising the acquisition of a minority interest in a shopping complex in a strategic location in Hengqin, adjacent to the crossing to Cotai. The Group believes such investment will create synergy with its existing business in Macau.

There is optimism that the uncertainties resulted from global trade disputes be relieved in the first half of the year, and together with increasing travel flexibilities offered by the Hong Kong – Zhuhai – Macau bridge, will positively influence visitations to Macau.

Liquidity and Capital Resources

The Group's liquidity needs primarily comprise working capital, capital expenditure, and servicing borrowings of the Group. The Group has generally funded its operations and development projects from internal resources, debt and/or equity financing.

As at 31 December 2018, the consolidated net assets attributable to owners of the Company amounted to approximately HK$7,691.9 million, representing an increase of approximately HK$1,455.6 million from approximately HK$6,236.3 million as at 31 December 2017. The increase in consolidated net assets during the year ended 31 December 2018 was mainly due to the Group's profit for the year of approximately HK$1,966.1 million.

Bank balances and cash

As at 31 December 2018, bank balances and cash held by the Group amounted to approximately HK$1,454.5 million (including short-term bank deposits of approximately HK$2.1 million and pledged bank deposits of approximately HK$6.5 million), which was denominated mainly in HK$ and MOP. Given MOP are pegged to HK$, the Group considers the exposure to exchange rate risk is nominal for its bank balances and cash denominated in MOP.

During the year ended 31 December 2018, the Group has received the remaining proceeds of the Disposal, bringing a significant increase in bank balances and cash.

Borrowings

As at 31 December 2018, the Group had outstanding (i) secured and guaranteed bank borrowings of approximately HK$1,964.8 million, and (ii) unsecured and unguaranteed, interest-free other borrowings of approximately HK$88.9 million.

Charge on the Group's Assets

As at 31 December 2018, certain assets of the Group were pledged to secure credit facilities and use of electricity granted to the Group, including investment properties with a total carrying amount of approximately HK$328.9 million (31 December 2017: approximately HK$450.6 million), buildings with a total carrying amount of approximately HK$4,553.8 million (31 December 2017: approximately HK$5,059.7 million), prepaid lease payments with a total carrying amount of approximately HK$1,279.4 million (31 December 2017: approximately HK$1,710.6 million), trade receivables of approximately HK$130.0 million (31 December 2017: approximately HK$164.4 million) and bank deposits of approximately HK$6.5 million (31 December 2017: approximately HK$8.1 million).

Gearing

The Group's net gearing ratio is expressed as a percentage of total borrowings (e.g. bank and other borrowings and loans from a shareholder) minus cash (e.g. pledged bank deposits, short term bank deposits and bank balances and cash) over total equity. As at 31 December 2018, the Group's net gearing ratio was 7.8% (31 December 2017: 48.0%).

Employees and Remuneration Policies

As at 31 December 2018, the Group had a total of approximately 3,944 employees, including approximately 1,016 gaming operation employees who were employed and paid by SJM but over whom the Group exercised oversight in accordance with the Service Agreement. The Group reimbursed SJM in full for the salaries and other benefits of these gaming operation employees.

The Group recognises the importance of maintaining a stable staff force for its continued success. Staff remuneration is determined by reference to personal qualifications, work performance, industry experience, responsibilities and relevant market trends. Discretionary bonuses are granted to employees based on merit and in accordance with industry practice. Other benefits including share options, reward shares, retirement benefits, subsidised medical care, pension funds and sponsorship for external education and training programmes are offered to eligible employees.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares during the year ended 31 December 2018.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company believes that good corporate governance practices are very important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business. The Board is committed to strengthening the Group's corporate governance practices and ensuring transparency and accountability of the Company's operations. Throughout the year ended 31 December 2018, the Company has complied with the CG Code except for code provision A.2.1.

Code provision A.2.1

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. Currently, Mr David Chow and Mr Tong Ka Wing, Carl are co-chairmen of the Board and responsible for the management of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner. In addition, Mr David Chow is the chief executive officer of the Company, taking care of the day-to-day management of the Group's business and implementing the Group's policies, strategic plans and business goals formulated by the Board. Although Mr David Chow is both a co-chairman and the chief executive officer of the Company, the powers and authorities of the co-chairman have not been concentrated as the responsibilities have been shared between the co-chairmen. The Board believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with sufficient number of Directors being non-executive Directors.

REVIEW OF ANNUAL RESULTS

The Group's consolidated financial statements for the year ended 31 December 2018 have been reviewed by the Audit Committee of the Company, which currently comprises three independent non-executive Directors, namely Mr Fong Chung, Mark, Mr Xie Min and Madam Tam Wai Chu, Maria, and two non-executive Directors, namely Mr Tong Ka Wing, Carl and Ms Ho Chiulin, Laurinda.

SCOPE OF WORK OF MESSRS DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2018 as set out in this preliminary announcement have been agreed by the Company's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

"Adjusted EBITDA"	the Group's earnings before bank interest income, finance costs, income taxes, depreciation, release of prepaid lease payments, amortisation, impairment, gain/loss on disposal of property and equipment, write-off of property and equipment, exchange gain/loss arising from non-operating activities, allowances for doubtful debts, gain on disposal of a subsidiary, compensation income, pre-opening expenses and one-off costs/income incurred or associated with corporate exercises, where applicable
"ADR"	average daily room rate
"Board"	the board of Directors
"Cape Verde"	the Republic of Cabo Verde
"CG Code"	the Corporate Governance Code contained in Appendix 14 to the Listing Rules
"Company"	Macau Legend Development Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
"Directors"	the directors of the Company
"Disposal"	the disposal of (i) 100% equity interest in NML and (ii) all obligations, liabilities, and debts owing or incurred by NML to Hong Hock, to independent third parties, at the consideration of HK$4.6 billion
"Disposal Date"	27 April 2018
"Executive Directors"	the executive directors of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRSs"	Hong Kong Financial Reporting Standards
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"Hong Hock"	Hong Hock Development Company Limited, a company incorporated in Macau and a subsidiary of the Company

"Lao PDR"	the Lao People's Democratic Republic
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	Macau Special Administrative Region, PRC
"MFW"	Macau Fisherman's Wharf operated by MFW Investment
"MFW Group"	MFW Investment and its subsidiaries
"MFW Investment"	Macau Fisherman's Wharf International Investment Limited, a company incorporated in Macau and a subsidiary of the Company
"MFW Redevelopment"	the redevelopment of MFW
"MOP"	Macau Pataca, the lawful currency of Macau
"Mr David Chow"	Mr Chow Kam Fai, David, a co-chairman, an executive Director and the chief executive officer of the Company and a controlling shareholder (as defined in the Listing Rules) of the Company
"Mr Frederick Yip"	Mr Yip Wing Fat, Frederick, the sole shareholder and sole director of New Legend and the executive vice president and head of casino operations of the Company
"New Legend"	New Legend VIP Club Limited, a company incorporated in Macau by Mr Frederick Yip, and consolidated as a subsidiary of the Company under the VIE Structure
"NML"	New Macau Landmark Management Limited, a company incorporated in Macau, legal owner of The Landmark Macau
''PRC''	the People's Republic of China
''Purchasers''	independent third parties which entered into a sale and purchase agreement with the Group for the Disposal
"REVPAR"	revenue per available room
"Savan Legend"	Savan Legend Resorts Sole Company Limited, a company incorporated in the Lao PDR and a wholly-owned subsidiary of the Company, which operates Savan Legend Resorts

"Savan Legend Casino"	a casino operated by Savan Legend inside Savan Legend Resorts
"Savan Legend Resorts"	Savan Legend Resorts Hotel and Entertainment Complex
"Service Agreement"	the service agreement dated 25 September 2006 and its related amendments entered into between Hong Hock and SJM, under which the Group provides gaming services to SJM in Landmark Casino and Babylon Casino
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"SJM"	Sociedade de Jogos de Macau, S.A.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"The Landmark Macau"	the hotel, dining, conference and casino complex, and the car parks, located at Macau Landmark Building, 555 Avenida da Amizada, Macau
"VIE Structure"	the structure established through the entering into of the exclusive management and consultancy services agreement, the exclusive undertaking to sell agreement, the transfer of profit and loan agreement, the share and equity pledge agreement and the power of attorney (further details of these agreements are set out in the Company's circular dated 9 June 2014) which enables the Group to indirectly participate in the gaming promotion business operations in Macau through New Legend
"€"	Euro, the lawful currency of the European Union
"%"	per cent

By order of the Board
Macau Legend Development Limited
Chow Kam Fai, David
Co-chairman, executive Director and
chief executive officer

Hong Kong, 28 March 2019

As at the date of this announcement, the executive Directors are Chow Kam Fai, David, Lam Fong Ngo (Chow Kam Fai, David as her alternate), Sheldon Trainor-DeGirolamo and Chow Wan Hok, Donald; the non-executive Directors are Tong Ka Wing, Carl and Ho Chiulin, Laurinda; and the independent non-executive Directors are Fong Chung, Mark, Xie Min and Tam Wai Chu, Maria.