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## **Landing International Development Limited**

**藍鼎國際發展有限公司**

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

**(Stock code: 582)**

### **PROPOSED ISSUE OF NEW SHARES UNDER GENERAL MANDATE**

#### **THE SUBSCRIPTION**

On 21 May 2021 (after trading hours), the Company, the Subscriber and the Guarantor entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for a total of 704,374,800 Subscription Shares at the Subscription Price of HK\$0.197 per Subscription Share.

The number of 704,374,800 Subscription Shares represents:

- (a) approximately 20% of the issued share capital of the Company as at the date of this announcement; and
- (b) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares upon Completion (assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the Completion Date).

The gross proceeds and the estimated net proceeds (after deduction of the relevant expenses and fees) from the Subscription will be HK\$138,761,835.60 and approximately HK\$138,500,000, respectively. The Company intends to use the net proceeds from the Subscription in the following manner: (i) approximately HK\$47,500,000 for capital expenditure on the maintenance, renovation and upgrade of the existing facilities within Jeju Shinhwa World, an integrated leisure and entertainment resort located in Jeju Island, South Korea owned and operated by the Group, which is expected to be incurred from the second half of 2021 in preparation for the post-pandemic rebound in the tourism industry; (ii) approximately HK\$91,000,000 for capital expenditure on the preliminary development cost for the construction of new hotel within Jeju Shinhwa World, which is expected to be incurred from the second half of 2021; and (iii) the remaining balance, if any, for the payment of interest expenses and general working capital.

### **GENERAL MANDATE**

The Subscription Shares will be allotted and issued under the General Mandate, which authorised the Directors to allot and issue up to 704,375,502 Shares. As at the date of this announcement, no Share has been allotted and issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issuance of the Subscription Shares and therefore the Subscription is not subject to the approval of the Shareholders.

### **APPLICATION FOR LISTING**

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

**As Completion of the Subscription Agreement is subject to fulfilment and/or waiver (as appropriate) of the Conditions, the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

On 21 May 2021 (after trading hours), the Company, the Subscriber and the Guarantor entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for a total of 704,374,800 Subscription Shares at the Subscription Price of HK\$0.197 per Subscription Share.

## **THE SUBSCRIPTION AGREEMENT**

The principal terms of the Subscription Agreement are set out as follows:

### **Date**

21 May 2021 (after trading hours)

### **Parties**

- (1) the Company, as issuer;
- (2) Wealth Millennium Limited, as subscriber; and
- (3) Lam Pauline (林佳慧), as subscriber's guarantor.

### **The Subscription Shares**

Pursuant to the terms and conditions of the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 704,374,800 Subscription Shares at the Subscription Price of HK\$0.197 per Subscription Share.

The number of 704,374,800 Subscription Shares represents:

- (a) approximately 20% of the issued share capital of the Company as at the date of this announcement; and
- (b) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares upon Completion (assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the Completion Date).

The aggregate nominal value of the Subscription Shares is HK\$7,043,748.

### **Ranking of the Subscription Shares**

The Subscription Shares will, when issued and fully paid, rank *pari passu* in all respects among themselves and with the Shares in issue at the date of allotment and issuance of the Subscription Shares.

## **The Subscription Price**

The Subscription Price of HK\$0.197 per Subscription Share represents:

- (a) a discount of approximately 18.60% to the closing price of HK\$0.242 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement;
- (b) a discount of approximately 19.53% to the average closing price of HK\$0.2448 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Subscription Agreement; and
- (c) a discount of approximately 26.38% to the average closing price of HK\$0.2676 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the date of the Subscription Agreement.

The Subscription Price was determined after arm's length negotiations between the Company and the Guarantor with reference to, among others, the prevailing trading prices and trading volume of the Shares, the lock-up undertakings given by the Subscriber and the Guarantor under the Subscription Agreement, the prevailing market conditions, the availability of alternative financing options (e.g. debt financing, placing of new Shares through placing agent(s) and rights issue) and the potential benefits and synergies referred to in the section headed "Reasons for and benefits of the Subscription" in this announcement.

The market value of the Subscription Shares is approximately HK\$170,458,701.60, based on the closing price of HK\$0.242 per Share as quoted on the Stock Exchange on the date of this announcement.

The aggregate Subscription Price of HK\$138,761,835.60 will be payable by the Subscriber to the Company at Completion.

The net proceeds from the Subscription, after deducting all related fees and expenses, are expected to be approximately HK\$138,500,000. The net price per Subscription Share, after deducting all such related fees and expenses, is therefore expected to be approximately HK\$0.197 per Subscription Share.

## **Conditions**

Completion of the Subscription under the Subscription Agreement is conditional upon the satisfaction or waiver of the following Conditions:

- (a) the listing of and permission to deal in the Subscription Shares on the Main Board of the Stock Exchange having been granted by the Stock Exchange;

- (b) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that restricts or prohibits the implementation of the Subscription;
- (c) the warranties given by the Subscriber and the Guarantor under the Subscription Agreement remaining true and not misleading in all respects at Completion; and
- (d) the warranties given by the Company under the Subscription Agreement remaining true and not misleading in all respects at Completion.

Except for the Conditions set forth in paragraphs (c) (which may be waived by the Company at its discretion) and (d) (which may be waived by the Subscriber at its discretion), the Conditions cannot be waived by any party.

If the Conditions are not fulfilled or waived (as applicable) on or before the date falling one month after the date of the Subscription Agreement, the Subscription Agreement shall terminate.

### **Completion**

Completion shall take place on the third Business Day after the fulfilment or waiver (as applicable) of all the Conditions or at such other date as the parties may agree.

### **Lock-up**

Pursuant to the Subscription Agreement:

- (a) the Subscriber shall not sell, transfer, dispose of or otherwise create an encumbrance over any Shares or other equity securities of the Company legally or beneficially held by it without the prior written consent of the Company for a six-month period commencing on the Completion Date; and
- (b) the Guarantor shall not cease to be the direct or indirect legal and beneficial owner of the Subscriber or sell, transfer, disposal of or otherwise create an encumbrance over any shares, securities, interests, investments or any rights in the Subscriber, so long as the Subscriber holds any Shares, without the prior written consent of the Company.

### **Guarantee**

Pursuant to the Subscription Agreement, the Guarantor shall guarantee the due and punctual performance of all the obligations and liabilities of the Subscriber under the Subscription Agreement.

### **Termination**

The Subscription Agreement may be terminated (i) at any time upon the mutual written consent of all parties; or (ii) by the Company or the Subscriber by written notice to the other parties at any time prior to the Completion Date in the event of certain force majeure events.

## GENERAL MANDATE

The Subscription Shares will be allotted and issued under the General Mandate, which authorised the Directors to allot and issue up to 704,375,502 Shares. As at the date of this announcement, no Share has been allotted and issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issuance of the Subscription Shares and therefore the Subscription is not subject to the approval of the Shareholders.

## APPLICATION FOR LISTING

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately upon Completion (assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the Completion Date):

	(i) As at the date of this announcement		(ii) Immediately upon Completion	
	<i>Approximate % of total</i>		<i>Approximate % of total</i>	
	<i>Number of Shares held</i>	<i>Shares in issue</i>	<i>Number of Shares held</i>	<i>Shares in issue</i>
Landing International Limited (Note 1)	1,481,567,297	42.07%	1,481,567,297	35.06%
Mr. Yao Jianhui (Note 2)	221,910,000	6.30%	221,910,000	5.25%
The Subscriber	—	—	704,374,800	16.67%
Public Shareholders	<u>1,818,400,213</u>	<u>51.63%</u>	<u>1,818,400,213</u>	<u>43.03%</u>
<b>Total</b>	<u><u>3,521,877,510</u></u>	<u><u>100.00%</u></u>	<u><u>4,226,252,310</u></u>	<u><u>100.00%</u></u>

Notes:

- (1) Landing International Limited is wholly-owned by Mr. Yang Zhihui, an executive Director.
- (2) Mr. Yao Jianhui holds 4,425,600 Shares directly and 217,484,400 Shares indirectly through companies controlled by him.
- (3) Any discrepancies in the above table between totals and sums of figures are due to rounding.

## **EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST 12 MONTHS**

The Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

## **INFORMATION ON THE GROUP**

The Company is an investment holding company and the principal activities of the Group are (i) development and operation of the integrated leisure and entertainment resort; (ii) operation of gaming and entertainment facilities; and (iii) property development.

## **INFORMATION ON THE SUBSCRIBER AND THE GUARANTOR**

The Subscriber is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company directly wholly-owned by the Guarantor. The Guarantor is an executive director of each of China Overseas Nuoxin International Holdings Limited (stock code: 464) and Hang Tai Yue Group Holdings Limited (stock code: 8081), which are companies listed on the Stock Exchange. In addition to her directorships in listed companies, the Guarantor possesses connections with customers of aircraft charter services for private jets in the high-end aviation market.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and the Guarantor are third parties independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION**

The Board is of the view that the Subscription represents an opportunity for the Company to broaden its Shareholder base and to finance future development and expansion of the businesses of the Group. In addition, the Board believes that the Subscription will allow the Group to tap into the Guarantor's connections in private jet charter customers and to source potential new high-end customers for the Group's resort and gaming business in Jeju Island, South Korea and thereby creating synergies.

The gross proceeds and the estimated net proceeds (after deduction of the relevant expenses and fees) from the Subscription will be HK\$138,761,835.60 and approximately HK\$138,500,000, respectively. The Company intends to use the net proceeds from the Subscription in the following manner: (i) approximately HK\$47,500,000 for capital expenditure on the maintenance, renovation and upgrade of the existing facilities within Jeju Shinhwa World, an integrated leisure and entertainment resort located in Jeju Island, South Korea owned and operated by the

Group, which is expected to be incurred from the second half of 2021 in preparation for the post-pandemic rebound in the tourism industry; (ii) approximately HK\$91,000,000 for capital expenditure on the preliminary development cost for the construction of new hotel within Jeju Shinhwa World, which is expected to be incurred from the second half of 2021; and (iii) the remaining balance, if any, for the payment of interest expenses and general working capital.

Having considered that: (i) the Subscription will raise additional capital for the sustained operation and expansion of the Group's hotel business; (ii) the introduction of the Guarantor as a Shareholder will allow the Group to source potential new high-end customers for its resort and gaming business; and (iii) the issue of new Shares under the General Mandate is a more desirable financing option as compared with debt financing as it does not create any interest payment obligations which will have a negative impact on the gearing ratio of the Group, the Directors consider that the terms of the Subscription Agreement (including the Subscription Price), which are determined after arm's length negotiations between the Company and the Subscriber, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

**As Completion of the Subscription Agreement is subject to fulfilment and/or waiver (as appropriate) of the Conditions, the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or days on which a tropical cyclone warning number 8 or above, a black rain warning signal and/or extreme conditions caused by a super typhoon as announced by the Government of Hong Kong is/are in force in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which Hong Kong clearing banks are open for the transaction of normal banking business



“Company”	Landing International Development Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 582)
“Completion”	completion of the Subscription pursuant to the Subscription Agreement
“Completion Date”	the date on which Completion takes place
“Conditions”	the conditions precedent to Completion under the Subscription Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Guarantor”	Lam Pauline (林佳慧), a Chinese national
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 26 June 2020, under which the Directors were authorised to allot, issue and deal with up to a maximum of 704,375,502 Shares (being 20% of the issued share capital of the Company at the date of the passing of the relevant resolution)
“Group”	the Company and its subsidiaries (from time to time)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Wealth Millennium Limited, a company incorporated in the British Virgin Islands with limited liability
“Subscription”	the subscription by the Subscriber for the Subscription Shares to be allotted and issued by the Company at the Subscription Price pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 21 May 2021 entered into between the Company, the Subscriber and the Guarantor in relation to the Subscription
“Subscription Price”	HK\$0.197 per Subscription Share
“Subscription Shares”	704,374,800 new Shares to be issued and allotted by the Company to the Subscriber pursuant to the Subscription Agreement
“%”	per cent.

By order of the Board  
**Landing International Development Limited**  
**Wong Hoi Po**  
*Executive Director*

Hong Kong, 21 May 2021

*As at the date of this announcement, the Board comprises Mr. Yang Zhihui (Chairman), Ms. Chan Mee Sze, Mr. Yeung Lo, Dr. Wong Hoi Po, Ms. Pu Shen Chen and Mr. Huang Wei as executive Directors; and Mr. Li Chun Kei, Mr. Shek Lai Him Abraham and Mr. Du Peng as independent non-executive Directors.*

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