

[For Immediate Release]



## C C LAND ANNOUNCES 2017 ANNUAL RESULTS

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**Strong Rental Income from Investment Properties  
Succeed in Turnaround from Loss to Profit  
Profit Attributable to Shareholders Amounted to HK\$292 million**

### Financial Highlights

<i>HK\$'000</i>	For the year ended 31 December		<b>Change</b>
	<b>2017</b>	2016	
Revenue	<b>464,561</b>	1,129,416	<b>-59%</b>
Gross profit	<b>446,456</b>	395,978	<b>+13%</b>
Other income and gains	<b>445,557</b>	143,038	<b>+211%</b>
Profit/(Loss) before tax	<b>303,493</b>	(289,889)	<b>N/A</b>
Profit/(Loss) attributable to shareholders	<b>291,876</b>	(356,756)	<b>N/A</b>
Earnings/(Loss) per share (HK cents)		(Restated)	<b>N/A</b>
— Basic and Diluted	<b>8.42</b>	(13.74)	
Final dividend (HK cents per share)	<b>2.0</b>	Nil	<b>N/A</b>

(26 March 2018 – Hong Kong) **C C Land Holdings Limited** (“C C Land” or the “Company”, together with its subsidiaries collectively known as the “Group”; stock code: 1224) is pleased to announce its annual results for the year ended 31 December 2017.

The Group recorded a revenue of HK\$464.6 million in 2017, a decrease of 58.9% compared to HK\$1,129.4 million in 2016. The substantial drop on revenue was due to the strategic disposals of property development projects in previous years and as a result, the number of properties available for sale became smaller. The Group however recorded a turnaround full year net profit of HK\$291.9 million from a net loss of HK\$356.8 million in 2016 which were attributable to a number of the following positive factors:- the rental income of HK\$342.9 million (2016: Nil) from its investment properties in the United Kingdom acquired in 2017, the gains on revaluation of investment properties of HK\$33.2 million; an one-off gain amounting to HK\$101.6 million mainly resulting from the rental top up received from the vendors of The Leadenhall Building; the gain on disposal of a joint venture in the amount of HK\$84.7 million (2016: Nil); substantial reduction in net fair value losses on equity investments at fair value through profit or loss by HK\$191.1 million to HK\$4.2 million; aggregate net losses from disposal and impairment of available-for-sale investments substantially decreased by HK\$134.9 million to HK\$65.7 million; net exchanges gains of HK\$106.3 million (2016: net losses of HK\$111.3 million); and, partially offset by the one-off costs of approximately HK\$89.5 million in relation to the acquisition of the London projects.

The basic earnings per share for the year was HK8.42 cents (2016 restated: a basic loss per share of HK13.74 cents). The directors are pleased to recommend a final dividend of HK2.0 cents (2016: Nil) per ordinary share to shareholders who are registered on the Register of Members of the Company at the close of business on 30 May 2018. Subject to approval at the forthcoming annual general meeting (“AGM”), dividend warrant will be sent to shareholders on or about 8 June 2018.

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Our financial results for the year reflected the Group's successful shift from property development to property investment. The Group's completed acquisitions of The Leadenhall Building in May 2017 and of One Kingdom Street in January 2017 contributed a significant increase in rental income for the Group, amounting to HK\$342.9 million (2016: Nil). Together, the two commercial properties comprise approximately 875,000 square feet ("sqf") of gross floor area, and were fully leased out as at 31 December 2017.

Acquisition of The Leadenhall Building, marking a new milestone for the Group in its effort to expand into the global real estate market. The Leadenhall Building is an iconic award-winning building situated in the prime financial and insurance district of London. The current annual rental income of The Leadenhall Building is in the region of GBP40.2 million. The rental yield is approximately 3.5% per annum. Given the building's design and its list of reputable tenants and nature of the leases, a strong recurring rental income is guaranteed for the Group, as well as providing great potentials for long term capital growth.

The One Kingdom Street building is located in the Paddington area. It provides approximately 265,000 sqf of Grade A office accommodation and some parking spaces, with a current annual rental income of approximately GBP14.5 million, equivalent to an annual yield of 4.9%. The building is fully leased to reputable major tenants and most of the tenancies will have rent reviews in 2018.

During 2017, the Group dedicated to diversify its property portfolio. As at 31 December 2017, the Group's development project includes a 50% interests in the Nine Elms Square Project in London, United Kingdom. Nine Elms Square is located at central London, on the south bank of the Thames River. It is a regeneration area and forms part of the wider site of the New Covent Garden Market. This project was acquired at a consideration of GBP520 million will be developed in two phases. The first phase development is expected to commence in the third quarter of 2018 and tentatively be completed in 2021. When fully developed, it will provide about 1,900 residential units with a total saleable area of circa 1.7 million sqf, with many of the units commanding a beautiful river view. In December 2017, the Group entered into a partnership agreement to acquire a commercial development project in London, United Kingdom. The Group has a 35% interests in this project. The acquisition is expected to be completed in the first half of 2018. The project will provide approximately 1.1 million sqf of office and retail spaces.

With about HK\$4.7 billion available cash as at 31 December 2017 on its balance sheet, the Group is actively looking to increase and/or develop its land bank. The emerging trend of global economic growth is in line with its strategic moves to explore overseas investment opportunities, acquire land for development and invest in property development projects, including China and Hong Kong.

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Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land, concluded, “These two property acquisitions in the United Kingdom form a solid base for the Group’s property investment, affirm the Group’s presence in the international property markets, and help boost the chances of potential investments of the Group in other major global cosmopolitan cities. It is in line with the business strategy of the Group to invest in quality property projects in mature cities globally. The Group will continue to provide a high standard of property management services to its tenants. There is potentially much upside in the rental income when the tenancies of these two buildings are up for rent review.

Whilst the Group remains focused on deriving long-term value from its two unique central London properties, it aims to create and grow value through a combination of asset management, strategic investment and selective development. The Group intends to continue growing its business by seeking new opportunities with its expertise and experience to achieve attractive returns. This may be done on its own or by leveraging local expertise from going into joint venture with other developers.”

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### **About C C Land**

Headquartered in Hong Kong, the core business of C C Land is property development and investment as well as treasury investments. Following the series of strategic disposals of its portfolio of properties in Western China, the Group has benefitted from accelerated returns from these disposal transactions and its cash position has been enhanced.

With a view to diversifying its portfolio, the Group has made inroads into the UK property market in 2017 with the acquisition of One Kingdom Street in Paddington and The Leadenhall Building in the prime financial and insurance districts of Central London. The acquisition of these two investment properties is in line with the business strategy of the Group to invest in quality properties in mature cities globally. The Company is a constituent stock of the MSCI China Small Cap Index Series.

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