

[For Immediate Release]



## C C LAND ANNOUNCES 2017 INTERIM RESULTS

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### Strong Rental Income from Investment Properties Healthy Balance Sheet

#### Financial Highlights

<i>HK\$'000</i>	For the six months ended 30 June		<b>Change</b>
	<b>2017</b>	2016	
Revenue	<b>61,923</b>	752,463	<b>-92%</b>
Gross profit	<b>46,567</b>	253,741	<b>-82%</b>
Other income and gains	<b>298,719</b>	82,995	<b>+260%</b>
Profit before tax	<b>78,031</b>	46,823	<b>+67%</b>
Profit attributable to shareholders	<b>59,879</b>	32,495	<b>+84%</b>
Earnings per share (HK cents) — Basic and Diluted	<b>1.97</b>	(restated) 1.25	<b>+58%</b>
Interim dividend (HK cents per share)	<b>Nil</b>	Nil	<b>N/A</b>

(28 August 2017 – 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 interim results for the six months ended 30 June 2017.

For the first half of 2017, the Group recorded a revenue of HK\$61.9 million, a decrease of 92% compared to HK\$752.5 million in the first half of 2016. The profit attributable to shareholders for the period amounted to HK\$59.9 million (six months ended 30 June 2016: HK\$32.5 million), representing an increase of 84% when compared with the same period of last year. The basic earnings per share for the period were HK1.97 cents (six months ended 30 June 2016 restated: HK1.25 cents). The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

During the first half of the year, the Group expanded its territory with investments overseas. The Group has completed two significant acquisitions, One Kingdom Street, and, The Leadenhall Building, in London, the United Kingdom. Both assets are located in the heart of London’s business centre with a combined value of approximately GBP1.44 billion. These two acquisitions are considered trophy assets and have greatly enhanced the Group’s profile in the international property scene, and will generate a strong stream of recurring income which will accordingly become a material contributor to the Group’s overall business.

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One Kingdom Street is located in the Paddington area. It provides approximately 265,000 square feet of Grade A office accommodation and some parking spaces, with a current annual rental income of approximately GBP14.5 million, equivalent to an initial annual yield of 5%. The building is fully leased to reputable major tenants.

The Leadenhall Building is an iconic award-winning building situated in the prime financial and insurance districts of London. Completed in 2014, The Leadenhall Building is a world class skyscraper and office tower boasting an impressive lease portfolio commanding strong recurring rentals and will be held by the Group as an investment property for long term capital growth. The Leadenhall Building is a commercial tower with over 46 floors, comprising approximately 610,000 square feet of office and retail space and is fully multi-let with a weighted average unexpired lease term of approximately 13 years with over 10 years on a term-certain basis. The building's tenant base includes a number of major international insurance companies alongside other financial institutions, technology, and professional service businesses. The property occupies a site of 0.94 acres (0.38 hectares) and extends to 736 feet in height. The current annual rental income of The Leadenhall Building is in the region of GBP 40.2 million. As at 30 June 2017, all of the office space was leased. The rental yield is approximately 3.5% per annum. Given the building's list of reputable tenants and nature of the leases, a strong recurring rental income is guaranteed for the Group, as well as presenting great potentials for long term capital growth. This acquisition forms a solid base for the Group's property investment in the United Kingdom, affirms the Group's presence in the international property markets, and helps 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 in investing in quality property projects in mature cities globally.

In August 2017, the Group participated in a joint venture with Guangzhou R&F Properties Co., Ltd. to invest in a mixed-use residential-led development project occupying a site of 10.3 acres (4.2 hectares) located at New Covent Garden Market in London, the United Kingdom. The project is planned to provide a gross floor area of circa 2.3 million square feet of residential, office and retail spaces.

As at 30 June 2017, cash and bank balances held at major banks and financial institutions totalled HK\$8.7 billion as compared to HK\$7.5 billion as at 31 December 2016. The Group's liquidity position remains strong and the Group has sufficient financial resources to fund its working capital requirements, further acquisitions and investment needs. The Group's net gearing ratio at the interim period end date was approximately 13% (31 December 2016: nil) calculated by total borrowings less cash and bank balances divided by owners' equity.

Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land, concluded, "The Group is well placed not only in terms of the quality of its property portfolio, but also its sound financial base. The Group's United Kingdom's real estate portfolio has many significant benefits as an asset class. It provides an attractive and sustainable income stream with its existing tenancy leases which are over 10 years in length, thus reducing volatility. The strong balance sheet and low gearing of the Group will allow the Group to add more acquisitions to its portfolio.

The Group also intends, whether on its own or in partnership with other developers, to acquire land available for development in China, Hong Kong and mature cities globally."

### **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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