[For Immediate Release]

C C Land Announces 2020 Interim Results

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The Group's Revenue was steady with rental recovery over 94%
Due to its heavy weighting of blue chip tenants and high quality asset management

Financial Highlights

	For the six months ended 30 June		
HK$'000	**2020**	2019	**Change**
Revenue	**277,440**	279,014	**-1%**
Gross profit	**276,109**	273,197	**+1%**
Other income and gains, net	**132,028**	130,717	**+1%**
Profit before tax	**9,125**	103,374	**-91%**
Profit/(Loss) attributable to shareholders	**(1,867)**	84,541	**N/A**
Earnings/(Loss) per share (HK cents) — Basic and Diluted	**(0.05)**	2.18	**N/A**

(23 August 2020 – 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 2020 (the "Period"). In the first half of the year, the Group has achieved a total revenue amounting to HK$277.4 million (six months ended 30 June 2019: HK$279.0 million) which represents a slight decrease of 1% compared with the same period last year.

The London investment property portfolio continues to provide a stable source of rental income of HK$236.1 million for the period ended 30 June 2020 (six months ended 30 June 2019: HK$239.9 million). The Group expects this to remain the case for the foreseeable future, notwithstanding the short-term potential impact associated with COVID-19.

Overall, the Group sustained a loss attributable to shareholders of HK$1.9 million (six months ended 30 June 2019: a profit of HK$84.5 million). The basic loss per share for the period was HK0.05 cents (six months ended 30 June 2019: earnings per share of HK2.18 cents). The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

The loss for the period was largely due to the increase in finance costs of HK$66.8 million for the period under review following a full period of reflection of the interest incurred on the 3-year guaranteed notes issued by the Group in June 2019, the drawdown on a new bank loan in April 2020, as well as the decrease in contribution from the Group's joint venture investments by HK$72.3 million. These negative impacts had been partially offset by the increase in fair value gains of HK$42.0 million from the investment portfolio.

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The treasury investment segment recorded a gain of HK$99.9 million (six months ended 30 June 2019: HK$61.5 million). The dividends and interests earned from investments and loans receivable amounted to HK$41.3 million (six months ended 30 June 2019: HK$45.2 million). The fair value gain from its investment portfolio amounted to HK$84.0 million (six months ended 30 June 2019: HK$42.0 million). No realized transaction/profit was recorded in the period (six months ended 30 June 2019: realized loss of HK$5.4 million).

The outbreak of the COVID-19 (coronavirus) pandemic has caused tremendous economic losses all over the world as a result of lockdowns and social distancing restrictions. The Group's property investment and development portfolio is mainly in the UK. While it is too early to predict the impact of the pandemic on the property and leasing industry in the UK with any certainty, the Group can fortunately report that the pandemic has only limited impact on its rental business for the period under review. The Group's revenue for the first half of 2020 was steady, reflecting a slight drop on rental revenue as a result of the depreciation of approximately 4% of the average exchange rate of the GBP against the HK$ compared with the corresponding period last year.

In the United Kingdom, rental recovery for the second quarter of 2020 has been challenging across the industry as most of the negative economic impact from COVID-19 emerged in the second quarter. Within the Group's portfolio, the rental recovery has been over 94% due to its heavy weighting of blue chip tenants and high quality asset management. The Group expects this trend of rent collections to continue into the second half of the year, while taking measures to mitigate the impact by working with its tenants on options of rent deferrals and payments. This cannot be done without the help of the Group's strong financial position, providing buffer on the Group's strong liquidity position.

As at 30 June 2020, the Group owns two commercial properties in United Kingdom and one in Australia through its subsidiaries and a joint venture respectively for rental income.

The Leadenhall Building is a skyscraper in London, having a height of 225 metres (738 feet). It is one of the iconic buildings in Central London, featuring state of the art technology. The building's unique design has created a number of specific spaces to match the different needs of its tenants' businesses. It has evolved into a modern and relaxing workplace with famous food and beverage restaurants around. The combination of modern offices and food experiences has helped the building's tenants to keep and attract talents. This 46-storeyed office building is held by the Group as an investment property for long term capital growth. It comprises approximately 610,000 sqf of office and retail space, and is fully multi-let with a weighted average unexpired lease term of approximately 10 years with over 7 years on a term-certain basis. The building's tenant base includes a number of renowned international insurance companies and other financial institutions, technology, and professional service businesses. The current annual contract rental income of The Leadenhall Building is in the region of GBP 40.5 million. The rental yield is approximately 3.5% per annum. The Group will continue to diversify the building's tenant mix and ensure that the building remains as the ultimate choice in its asset class. The rental income for the six months ended 30 June 2020 was GBP16.7 million (six months ended 30 June 2019: GBP16.0 million). "The Leadenhall Building App" has been developed to coordinate building-wide events and activities, and to provide a forum for members to give input to and support future development of the building.

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One Kingdom Street resides in The Paddington Central area, just 15 minutes walk to Oxford Street. The building itself features elegant glazed exteriors and a quality functional entrance hall, leading to a reception lounge and central atrium, while above, 265,000 sqf of superior office space is spread over nine beautifully finished floors. There is a huge amount of natural light in every office to create a productive and enjoyable working environment. The building is fully leased to reputable major tenants with a current annual rental income of approximately GBP15.0 million, equivalent to an annual yield of 5.0%. The rental income for the six months ended 30 June 2020 was GBP7.6 million (six months ended 30 June 2019: GBP7.6 million).

Eighty Five Spring Street, Melbourne is located on a prime site in the Melbourne CBD overlooking the parliamentary area and near a public park and is surrounded with international retailers, restaurants and magnificent historic buildings. The property has a site area of 13,358 sqf. Planning has been submitted for a commercial office tower to provide approximately 307,000 sqf of net lettable office accommodation over 35 levels plus retail space of 5,000 sqf, with four basement parking levels. The building benefits from dual street frontage, and direct access to the Parliament Train Station. The acquisition cost amounted to AUD112 million in which the Group has a 41.9% effective interest.

As at 30 June 2020, the Group has over 1.1 million sqf of attributable development space in London and approximately 2.3 million sqf in China. These property projects are operated through joint ventures.

The Group has committed to invest GBP182 million in the regeneration and redevelopment project of Whiteleys in London, a former shopping centre constructed in 1908. Located in Queensway, W2, Bayswater, the Whiteleys redevelopment project is a mixed-use scheme which secured planning permission in 2016. Under the redevelopment plans, the finished project with about 580,000 sqf will house 153 apartments, a 5-star hotel, retail spaces with a mix of independent retailers, a gymnasium, a cinema and restaurants, offering an exceptional regeneration opportunity in prime Central London. Demolition work was completed. The foundation work has progressed well in the period as the current work patterns have not been affected by the social distancing on site associated with the pandemic. The Group expects sales of the residential units to be slow given the impact of pandemic, and is unlikely to commence before the first quarter of 2021. Completion of the development is expected in 2023. The Group has 50% voting right in this project. As at 30 June 2020, the capital investment contributed by the Group amounted to GBP53.7 million.

The Group has a 50% interests in the Nine Elms Square Project which sits at a bend of the River Thames so that it offers sweeping views across the entire London city. It is in a great location next to the Thames where tall residential buildings are rare. The planned residential services and amenities and a top class residents' club will certainly boost its popularity. Nine Elms Square is a ten-acre site residential led mixed-use scheme in the south of River Thames, comprising a total of 12 buildings and 1,500 residential units with a total saleable area of approximately 1.7 million sqf and some retail and office components. This project will be developed in two phases. Construction of Phase I is progressing well but development activity has slowed due to COVID-19. Most of the residential units will enjoy a panoramic view of the River Thames. Phase I of the project will be developed through 2023. Of the 100 units which has been launched for presale to staff and invited friends, 47% has been taken up as at the period ended 30 June 2020.

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Harbourside HQ is strategically located close to the junction of MTR Kwun Tong line and Shatin to Central Link, as well as near to the Tate's Cairn and Eastern Harbour Crossing, making it highly accessible, linking to different parts of Hong Kong. With its unique location, Harbourside HQ provides a panoramic harbour view from the Lei Yue Mun Straits to the Victoria Harbour. It is a 28-storeyed commercial building, with a total leasable area of approximately 795,000 sqf including retail space on G/F and 1/F, together with car parks. The nearby retail and commercial structures offer tenant amenities in shopping, dining and entertainment. The cost of acquisition was HK$7.5 billion in which the Group has a 25% ownership interest. The building is undergoing renovation works to upgrade the main lobby, glass curtain wall, external façade and office floors, keeping to the minimum disturbance to the existing tenants. These renovations will boost the property's rental appeal to achieve higher rental yields. Demands in the Hong Kong office leasing market slowed during the period as a result of the ongoing China-US trade negotiations and the unrest experienced in Hong Kong. At the end of June 2020, occupancy rate at the Harbourside HQ was 73%.

Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land, concluded "Looking forward, the Group remains confident in the underlying strength of its business despite the potential adverse impact of the pandemic which is severely affecting economic activities. Its business is resilient to these adversities as its property portfolio is practically fully let to quality tenants on long leases; and its financials are strong with only a moderate Loan-To-Value, low costs and long termed financing.

By adhering to its prudent strategy of achieving asset growth through improving earnings, the Group continues to enhance its property business and explore global opportunities in metropolitan cities to expand the recurrent income base. Its relatively low gearing level, ample liquidity and strong financial fundamentals have always been solid anchor features."

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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. The Group started to build its global property portfolio since early 2017, and now has both investment and development projects in the United Kingdom, Australia, Hong Kong and mainland China. The Group's business strategy is to have a balanced property portfolio with both stable recurring rental income and property sales revenue in developed cities worldwide.

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