[For Immediate Release]

C C LAND ANNOUNCES 2024 INTERIM RESULTS

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TURNAROUND TO A PROFIT OF HK$91 MILLION
FINANCIAL POSITION REMAINS SOUND AND HEALTHY

Financial Highlights

	For the six months ended 30 June		
HK$'000	**2024**	2023	**Change**
Revenue	**244,093**	239,682	**1.8%**
Gross profit	**228,736**	228,819	**-0.1%**
Other income and gains, net	**166,413**	31,870	**422.2%**
Share of profits and losses of joint ventures and associates	**243,297**	319,498	**-23.9%**
Profit/(Loss) before tax	**118,631**	(1,320,457)	**N/A**
Profit/(Loss) attributable to shareholders	**91,006**	(1,349,829)	**N/A**
Earnings/(Loss) per share (HK cents) — Basic and Diluted	**2.34**	(34.77)	**N/A**

(23 August 2024 – 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 interim results for the six months ended 30 June 2024.

In the first half of the year, the Group achieved a total revenue of HK$244 million, representing an increase of approximately 1.8% as compared with the same period of 2023. The increase in revenue came mainly from the increased revenue from the treasury investment business. During the period under review, the Group recorded a profit attributable to shareholders of HK$91 million while a loss attributable to shareholders of HK$1,350 million for the first half of 2023. The profit was primarily due to fair value gains of HK$122.9 million on the revaluations of the Group's investment properties in the UK as at 30 June 2024. The basic earnings per share was HK2.34 cents (six months ended 30 June 2023: the basic loss per share was HK34.77 cents).

Performance for the period was continuously impacted by the prevailing unstable economic conditions arising from the high interest rates environment and slow recovery of the domestic economy. Although it is widely expected interest rate cut will take place in the second half of the year, the extent of interest rates cut will be limited and a relatively high interest rate level will prevail for a period of time. The debts issues of the Chinese property developers have largely remained unresolved and deeply affected transaction volumes and selling prices of properties.

The rental income from the investment property portfolio decreased by 6.9% compared to that of the corresponding period last year. It amounted to HK$222.5 million, which was mainly due to the expiry of certain leases in One Kingdom Street in the second half of 2023.

The Group's treasury investment business was still affected by the shrinking turnover of the Hong Kong stock market which arose from geopolitical tension and high interest rates. The treasury investment segment, comprising of listed equity securities and unlisted investment funds, recorded fair value losses of HK$21.2 million (six months ended 30 June 2023: HK$43.6 million) during the period.

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The Group's share of the results from the operation of joint venture investments (including investments in joint ventures and associates) recorded a profit of HK$243.3 million, which represents a decrease of HK$76.2 million compared to the corresponding period last year. This is primarily due to the decrease of property sales revenue from Thames City Phase I as most of the residential units had been delivered to the buyers in the previous year.

The value of the Group's investment properties in the UK continued to be affected by the high interest rate but is gaining stability. During the period under review, the fair value gains on investment properties amounted to HK$122.9 million (six months ended 30 June 2023: fair value losses of HK$1.4 billion).

The Leadenhall Building, a skyscraper having a height of 225 metres (738 feet) tall, is one of the iconic buildings in the Central London district. The building's distinctive wedge-shaped architectural design has created several specific spaces to cater for the different needs of the tenants' businesses. The combination of modern offices and food experiences in the neighborhood enables tenants' businesses to attract and retain talented people. The property consists of 46 floors which are used mainly for office purposes and will be held by the Group as investment property for long-term capital growth. It comprises approximately 610,000 sqf of office and retail space and is fully let with a weighted average unexpired lease term of approximately 8.8 years with 7.5 years on a term-certain basis. The building's tenant base includes several renowned international insurance companies alongside other financial institutions, technology, and professional service businesses. The current annual contract rent of The Leadenhall Building is around GBP41.8 million (31 December 2023: GBP40.6 million). The office space was fully leased as at 30 June 2024. The rental yield is approximately 3.6% (31 December 2023: 3.5%) per annum.

One Kingdom Street is well connected to public transportation with nearby underground metro stations, providing easy access to Oxford Street or Heathrow Airport. One Kingdom Street is situated in Paddington Central, an area comprised of dining, office and residential blocks, hotel, retail and entertainment amenities. The building was recently refurbished with luxury-feel office spaces, together with its featured elegant, glazed exteriors and a superbly functional entrance hall. Above the hall, 265,000 sqf of superior office space is spread over nine floors. There is a huge amount of natural light in every office to create a productive and enjoyable working environment. The property offers approximately 265,000 sqf of Grade A office accommodation and some parking spaces, with a current annual contract rent of approximately GBP12.4 million (31 December 2023: GBP12.4 million), equivalent to an annual yield of 4.3% (31 December 2023: 4.3%). The building is 71% leased to reputable major tenants and the refurbishment of the vacant spaces was completed during the period under review. Apart from office accommodation, after completion of the metro Elizabeth Line's related construction works, Transport for London has returned to One Kingdom Street 15,360 sqf of vacant space underneath the office tower. The Group is currently exploring various leasing options for this vacant space which may entail creating an urban logistics hub in collaboration with adjacent landlords in Paddington Central.

As at 30 June 2024, the Group has seven property projects operating through joint ventures, two projects with over 0.8 million sqf of attributable development space in Central London, three projects with approximately 0.5 million sqf in Hong Kong and two projects with approximately 6.8 million sqf in the Chinese Mainland. The Group's total investments in joint venture projects increased slightly to HK$10.3 billion as at 30 June 2024, up from HK$10.2 billion as at 31 December 2023. There was no acquisition or disposal of joint ventures during the period under review. The Group's property development pipeline is a significant component of the value of its joint venture business, and the Group expects this pipeline to contribute significantly to earnings and provide attractive returns on its investments in the near to medium term. As at 30 June 2024, the Group held interests in centrally located development sites with a total attributable development potential of approximately 8.1 million sqf, primarily in the UK, Hong Kong, and Chinese Mainland.

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Just along the south bank of the section of River Thames in Central London, the 10-acre former New Covent Garden Market site is now being redeveloped as Thames City, a mixed-use development featuring 12 residential and commercial buildings, ranging in height from 4 to 53 storeys, and a park which forms part of a vibrant regeneration district that will run from the Vauxhall Bridge to the Battersea Power Station. When fully completed, Thames City comprises approximately 1,500 luxury residential units with a total saleable area of approximately 1.7 million sqf, including three primary towers which rise to 36-53 storeys above basement, providing exceptional panoramic views over the whole of London. Other facilities include a grand clubhouse with a 30-metre-long swimming pool, a state-of-the-art gymnasium, movie theatre, karaoke lounge, landscaped gardens, restaurants, retail outlets and commercial spaces.

During the period, a total of 56,000 sqf was sold and recognized in the profit and loss account of the project company, contributing GBP104 million in sales revenue. Benefiting from the sensational sales performance, the construction loans were fully repaid in March last year, more than 17 months ahead of repayment schedule. Thames City's marketing continues in progress and has met with much success. As domestic and international travel restrictions are lifted, UK's reopening to international travellers and overseas buyers is making its presence felt. The development of Phase II and III of Thames City with respective saleable areas of 529,000 sqf and 460,000 sqf is in the pipeline and the construction of Phase II is expected to commence in the second half of 2024. The Group has 50% interests in the Thames City project.

In 2019, the Group committed to invest GBP182 million in a joint venture to restore the legendary Whiteley Shopping Centre which forms an important part of the wider regeneration of Queensway which is now being transformed into a more pedestrian friendly zone for London. Located in Queensway, W2, the Whiteley redevelopment project is a mixed-use scheme which secured planning permission in 2016. When finished, the project with about 603,000 sqf will deliver 139 luxurious residential apartments, a 5-star spa hotel with 109 rooms operated by Six Senses, retail and restaurant spaces, offering an exceptional living and investment opportunity in prime Central London. The Whiteley will be restored to its legendary position at the heart of Bayswater after completion. The Group has fully paid its committed investment of GBP182 million for the development.

At The Whiteley, the practical completion of the whole project is anticipated at the second half of the year. During the period under review, sectional completion of certain parts of the residential blocks was completed and delivery to the buyers started. As at 30 June 2024, 32 residential units with sales amount of GBP158 million have been delivered to the buyers. The development will deliver approximately 326,000 sqf of residential area, and 277,000 sqf of retail, hotel, commercial and parking spaces. Pre-sales started in November 2021. As at 30 June 2024, it has presold 94 residential units for GBP582 million. The Group has approximately 46% interests but 50% voting power in this project.

Located next to the Kai Tak Development District, Harbourside HQ is a 28-storey Grade A office with a total marketable gross floor area of approximately 795,000 sqf, including retail spaces on the ground and first floor, and 285 parking spaces. Overlooking Kai Tak and the Kwun Tong Promenade, the property is situated close to the Ngau Tau Kok MTR station, connecting it to different districts of Hong Kong. With its unique location and iconic 136.5 metres height, Harbourside HQ commands a panoramic harbour view stretching from the Lei Yue Mun Straits to the Victoria Harbour. The nearby retail and commercial structures offer amenities in shopping, dining, and entertainment. With the new anchor tenant, Hospital Authority, moving into the building in the second half of 2023, the occupancy rate was maintained at 69% as at 30 June 2024. The cost of acquisition was HK$7.5 billion in which the Group has a 25% interest.

No. 15 Shouson is located at No. 15 Shouson Hill Road West. It comprises a total of 15 luxury villas with a total gross floor area of approximately 88,000 sqf. All the villas have internal lifts, gardens, usable rooftops and parking spaces. Among them, 13 villas have also private swimming pools. Two villas with total sales value of HK$758 million have been contracted for sale in the period with two additional villas contracted for sale subsequent to the period end at a selling price of HK$1,038 million. The Group has 42% interests in No. 15 Shouson with an investment of about HK$1.2 billion.

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The Group has an effective 15% interest in a joint venture development project related to KITEC with an attributable investment of about HK$906 million. The business operations of KITEC ceased at 30 June 2024 to await for the approval of the redevelopment plan which includes commercial and residential elements.

Dr. Peter Lam, Deputy Chairman and Managing Director of C C Land, concluded "Following the abolition of the demand-side management measures for residential properties (commonly known as 'the harsh measures') by the Hong Kong Government early this year, there was a gradual recovery of the transaction volume in the local property market. The Group remains optimistic regarding the Hong Kong property market. It is expected that stabilization would return as the long-awaited interest rate cut initiated in the UK as anticipated in August this year. The Group will continue to adopt a wait and see approach in tackling the unstable economic conditions which were driven by the geopolitical tension and high interest rate environment. The Group will adopt a conservative attitude but keep a watchful eye on the market and cherry pick for acquisition high-quality assets and businesses which may appear."

"Looking forward, the Management anticipates the unstable business environments will persist in the foreseeable future. The Group will focus on ensuring the stability and sustainability of its existing property portfolio and adjust its strategies in response to the ever-changing market as well as maintain a healthy balance sheet."

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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, Hong Kong and Chinese mainland. 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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