



C C Land Holdings Limited

Annual Results 2018

March 2019

(Stock Code: 1224)

Agenda

- About C C Land
- Financial Highlights
- 2018 Business Review
- Outlook & Strategies
- Open Forum



About C C Land

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



Started to build its global property portfolio since early 2017



Has both investment and development projects in the United Kingdom, Australia, Hong Kong and Mainland China



Continues to look for potential real estate development and investment opportunities in metropolitan cities globally



Financial Highlights

Financial Highlights

<i>For the year ended 31 Dec (HK\$'000)</i>	2018	2017	Change
Revenue	651,104	464,561	+40.2%
Gross profit	645,630	446,456	+44.6%
Other income and gains	191,528	445,557	-57.0%
Profit before tax	190,570	303,493	-37.2%
Profit attributable to shareholders	171,099	291,876	-41.4%
Earnings per share (HK cents) - Basic and diluted	4.41	8.42	-47.6%
Final dividend (HK cents per share)	2.0	2.0	N/A

Source of Income

Particulars	2018	2017	Change
Treasury Investment (HK\$ Mn)	161.0	102.0	+57.8%
Rental Income (HK\$ Mn)	490.1	342.9	+42.9%
Property Sales (HK\$ Mn)	-	19.7	N/A
Total (HK\$ Mn)	651.1	464.6	

The rental income increase was due to the recognition of a full year rental income from the core investment properties in London

Strong Financial Position

	2018 As at 31 Dec	2017 As at 31 Dec	Change
Total Assets (HK\$ Mn)	28,439	32,171	-11.6%
Total Liabilities (HK\$ Mn)	11,315	15,325	-26.2 %
Shareholders' Equity (HK\$ Mn)	17,123	16,846	+1.6%
Cash and Cash Equivalents (HK\$ Mn)	4,702	4,720	-0.4%
Bank Balances (Restricted / Pledged) (HK\$ Mn)	1,470	5,241	-72.0%
Total Bank and Other Borrowings (HK\$ Mn)	10,017	13,635	-26.5%
Net Borrowings (HK\$ Mn)	3,845	3,674	+4.7%

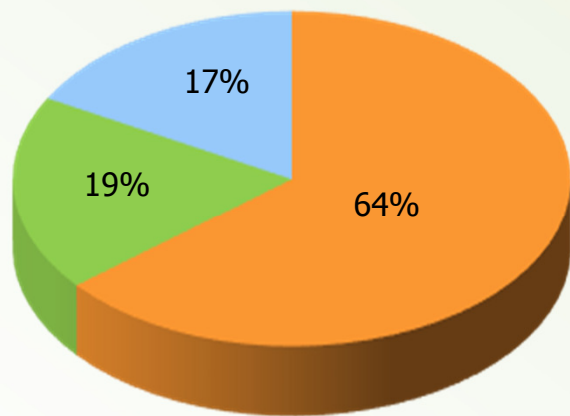
Book cost per share : HK\$4.41

(31 Dec 2017: HK\$4.34)

Net gearing: 22.5% (31 Dec 2017: 21.8%)

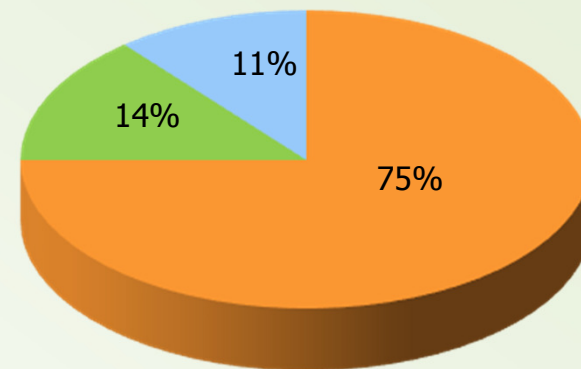
Cash and Bank Balances

Total **HK\$6.2 billion** as at 31 Dec 2018



■ HKD
■ USD
■ GBP and RMB

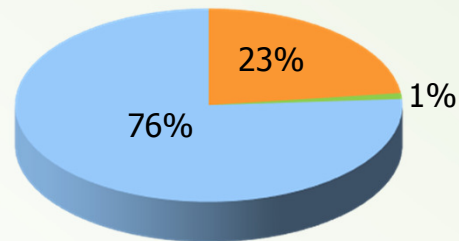
Total **HK\$10.0 billion** as at 31 Dec 2017



■ HKD
■ USD
■ GBP and RMB

Bank Borrowings

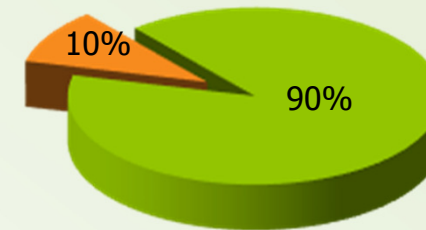
Repayment Times



31 Dec 2018

- Repayable within one year (HKD2.3 billion)
- Repayable between one to three years (HKD0.1 billion)
- Repayable beyond three years (HKD7.6 billion)

In Terms of Currency



31 Dec 2018

- GBP
- HKD

Total outstanding bank loans as at 31 Dec 2018: HK\$10.0 billion
(31 Dec 2017: HK\$13.6 billion)



2018 Business Review

Revamp of Property Portfolio

1 Acquisition of investment properties in London, Melbourne and Hong Kong for recurring rental income

2 Development projects in London and China for sales revenue

3 Joint Venture with local developers in property projects

Properties Movements in Australia

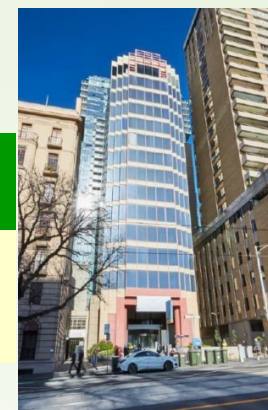
To refine the project portfolio, the following transactions were made:

Disposal of Property

Property Disposed	Completion Date	Usage	Total Area	Profit Before Tax	Effective Interests
72 Christie Street, St Lenonards, Sydney	Dec 2018	Office & Carpark	120,000 sq.ft.	AUD45 million (Attributable of AUD15.5 million)	34.5%

Acquisition of Property

Property Acquired	Completion Date	Usage	Acquisition Cost	Total Area	Effective Interests
85 Spring Street, Melbourne CBD, Australia	To be Completed in First Half of 2019	Office & Carpark	AUD112 million	110,000 sq.ft.	41.9%



Property Portfolio (Key Projects)

With a view to diversifying its portfolio, the Group has acquired/invested the following properties:

Investment Properties

Properties Invested/Acquired	Completion Date	Usage	Purchase Consideration (GBP)	Purchase Consideration (HKD approx.)	Total Area	Effective Interests
The Leadenhall Building, London	May 2017	Office & Retail	1,150 million	11.2 billion	610,000 sq.ft.	100%
One Kingdom Street, London	Jan 2017	Office & Carpark	292 million	2.9 billion	265,000 sq.ft.	100%
Total				14.1 billion	875,000 sq.ft.	

Property Portfolio (Key Projects) *cont'd*

Joint Ventures

Properties Invested/Acquired	Agreement Date	Usage	Attributable Consideration	Total Area	Effective Interests
OCTA Tower, Hong Kong	Aug 2018	Office, Retail & Carpark	HKD1,875 million	0.8 million sq.ft.	25%
JV Project, Sichuan, China	Jun 2018	Residential & Retail	RMB215 million	4.5 million sq.ft.	50%
JV Project, Zhuzhou City, Hunan Province, China	May 2018	Residential & Retail	RMB270 million	9.5 million sq.ft.	43%
Nine Elms Square, London	Aug 2017	Residential	GBP260 million	1.7 million sq.ft.	50%
Total				16.5 million sq.ft.	

Major acquisition: One Kingdom Street



- Acquired in Jan 2017 at a purchase consideration of approx. **GBP292 million** (approx. HK\$2.9 billion)
- A prime Grade A commercial property comprising 265,000 sq. ft. located in Paddington, the West End of London
- Paddington is undergoing major re-development, and with the coming Crossrail System, will be an important hub in London's West End
- Rental yield is approx. **4.9%** per annum
- Occupancy rate is **100%**



Photo source:
http://www.trekearth.com/gallery/Europe/United_Kingdom/England/London/Paddington/photo1117240.htm

Major acquisition: One Kingdom Street (cont'd)

- Currently fully multi-let to a variety of tenants, including Vodafone, Shire, Misys and Statoil
- Current net rent in the region of approx. GBP14.6 million, Rent review in 2018 with satisfactory result



Photo source: <https://www.flickr.com/photos/egfocus/3660244820/>

Major acquisition: Leadenhall Building

"City of London Building of the Year 2015"

- Acquired in May 2017 at a purchase consideration of approx. **GBP1,150 million** (approx. HK\$11.2 billion)
- A 46-floor iconic and award-winning building with approx. 610,000 sq. ft. of office and retail space in the prime financial and insurance districts of London
- Current annual rental income in the region of approx. **GBP40.2 million**
- Rental yield is approx. **3.5%** per annum
- Occupancy rate is **100%**
- Received "2018 RIBA London Awards" & shortlisted to the National Awards



Photo source: www.theleadenhallbuilding.com



Major acquisition: Leadenhall Building (*cont'd*)



- Fully multi-let with a weighted average unexpired lease term of approx. 11 years with over 8 years on a term-certain basis
- Tenant base includes major international insurance companies alongside financial institutions, technology and professional service businesses
- Generating a stable and strong recurrent income for the Group and affirming the Group's presence in the UK property market



Photo source: www.theleadenhallbuilding.com

New Development Project: Nine Elms Square



- In August 2017, the Group participated in a joint venture with Guangzhou R&F Properties Co., Ltd. to invest in a residential development project
- Nine Elms Square situates at the South Bank of River Thames, with a panoramic view of Central London, and is located close to the new American Embassy
- The project is planned to provide about 1,500 residential units with a total saleable area of approx. 1.7 million sq. ft., and the first phase is tentatively expected to be completed in late 2021



Photo source:
<http://www.nineelmssquare.com>



Outlook & Strategies

Growth Drivers



Building a Global Real Estate portfolio of investment properties for steady rental income

Developing properties for sales revenue

Leveraging on management's experience and expertise in the property industry to actively look for opportunities in metropolitan cities globally



C C Land

WELL POSITIONED TO BE AN
INTERNATIONAL REAL ESTATE COMPANY



Open Forum

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