



C C Land Holdings Limited

Annual Results 2019

March 2020

(Stock Code: 1224)

- About C C Land
- Financial Highlights
- 2019 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, Mainland China and Hong Kong



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

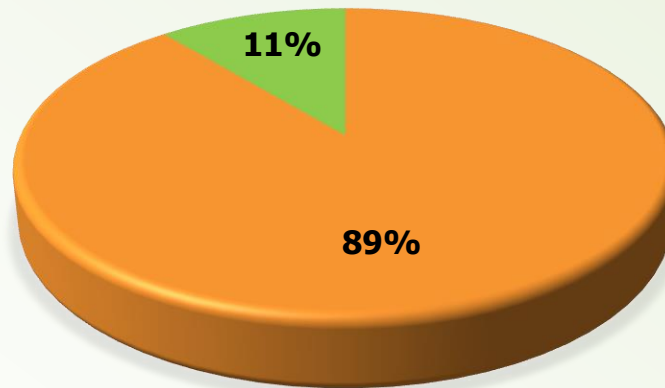


Financial Highlights

Financial Highlights

<i>For the year ended 31 Dec (HK\$'000)</i>	2019	2018	Change
Revenue	564,636	651,104	-13%
Gross profit	555,295	645,630	-14%
Other income and gains, net	502,842	191,528	+163%
Profit before tax	401,766	190,570	+111%
Profit attributable to shareholders	414,023	171,099	+142%
Earnings per share (HK cents) - Basic and diluted	10.66	4.41	+142%
Final dividend (HK cents per share)	2.0	2.0	No Change

In Terms of Area



UK



Australia

Rental Income for 2019 (GBP Million)

Property	2019	2018	Change
The Leadenhall Building	40.5	40.2	+0.7%
One Kingdom Street	15.1	14.6	+3%

**Revaluation Gain from the Leadenhall Building was
HK\$165 million as at 31 Dec 2019.**

Source of Income

Year ended 31 December	2019 (HK\$ Mn)	2018 (HK\$ Mn)	Change
Treasury Investment	87.5	161.0	-46%
Rental Income	477.1	490.1	-3%
Total	564.6	651.1	-13%

The rental income decrease resulted from the depreciation of approximately 4% of the average exchange rate of the GBP against HK\$ but it was partially offset by the increased revenue contributed by lease renewals and rent reviews during the year.

Issue of Guaranteed Notes



First time Issue in June 2019



3-year guaranteed notes



Due 2022



Raised a total of USD250 million



Coupon rate of 6.35% per annum

Strong Financial Position

	2019 As at 31 Dec (HK\$ Mn)	2018 As at 31 Dec (HK\$ Mn)	Change
Total Assets	29,479	28,439	+4%
Total Liabilities	11,973	11,315	+6%
Shareholders' Equity	17,506	17,123	+2%
Cash and Cash Equivalents	6,029	4,702	+28%
Bank Balances (Restricted/ Pledged)	1,032	1,470	-30%
Total Bank Borrowings	8,948	10,017	-11%
Guaranteed Notes	1,923	-	N/A
Net Borrowings	3,810	3,845	-1%

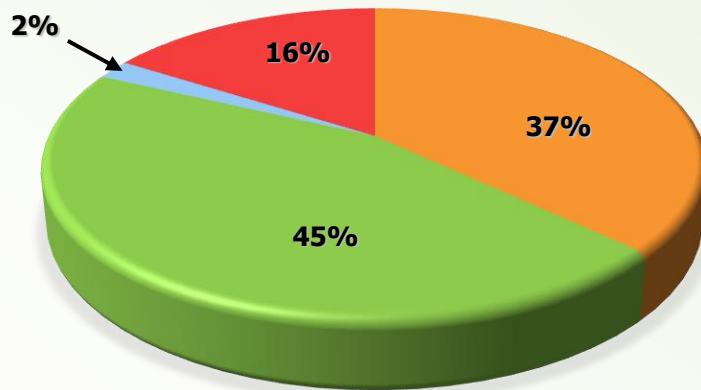
Book cost per share : **HK\$ 4.51**

(31 Dec 2018: HK\$ 4.41)

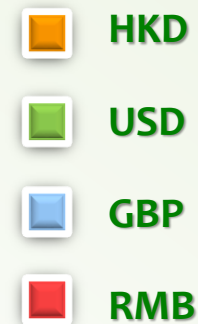
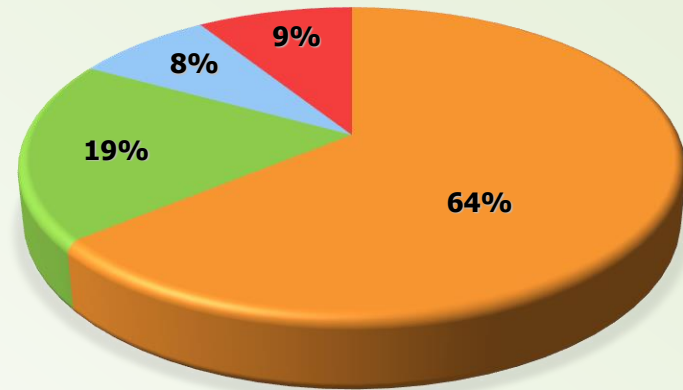
Net gearing: **21.8%** (31 Dec 2018: 22.5%)

Cash and Bank Balances

**Total HK\$ 7.1 billion
as at 31 Dec 2019**

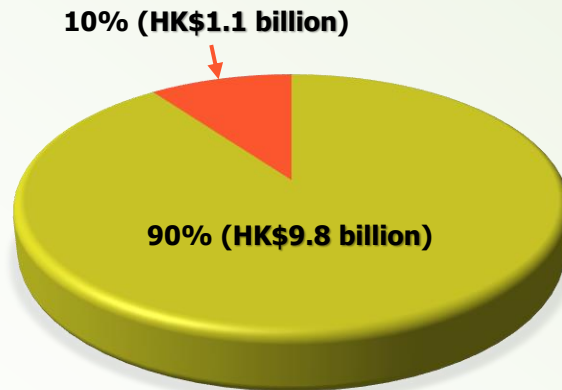


**Total HK\$6.2 billion
as at 31 Dec 2018**



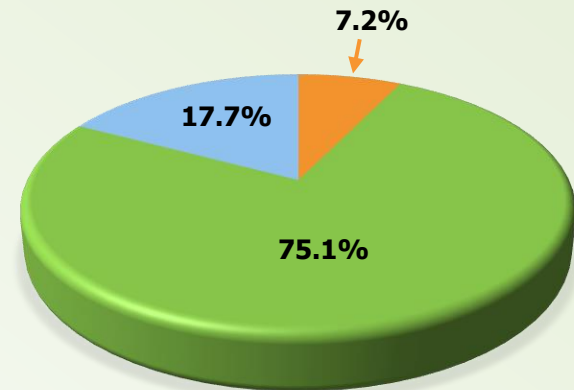
Total Borrowings

Repayment Dates 31 Dec 2019



- Repayable within 1 year (HK\$1.1 billion)
- Repayable after 1 year (HK\$9.8 billion)

In Terms of Currency 31 Dec 2019



- HKD
- GBP
- USD

Total outstanding borrowings as at 31 Dec 2019: **HK\$ 10.9 billion**
(31 Dec 2018: HK\$10.0 billion)



2019 Business Review

Notable Achievements in 2019

1

Committed to investing **£182** million in the regeneration and redevelopment project of Whiteleys in London

2

Acquisition of an investment property in Melbourne with effective interests at **41.9%**

3

Disposal of its **42.86%** interests in the Hunan Zhuzhou City Project at a gain of **HK\$28** million

4

Disposal of its **50%** interests in the Sichuan Project at a profit of **HK\$112.3** million

5

Invested **RMB800** million in a **33.33%** interests in a JV for a Chongqing project

6

Issue of a 3-year guaranteed notes and raised **USD250** million

Property Portfolio (Key Projects)

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

Investment Properties

Properties Acquired	Completion Date	Usage	Purchase Consideration (Million)	Total Area (sq. ft.)	Effective Interests
The Leadenhall Building, London	May 2017	Office & Retail	GBP1,150	610,000	100%
One Kingdom Street, London	Jan 2017	Office & Carpark	GBP292	265,000	100%
85 Spring Street, Melbourne CBD, Australia	Apr 2019	Office & Carpark	AUD112	110,000	41.9%
Total				985,000	

Property Portfolio (Key Projects) cont'd

Major Joint Ventures

Properties Invested/Acquired	Agreement Date	Usage	Total Area (Million sq. ft.)	Attributable Consideration (Million)	Effective Interests
Whiteleys Shopping Centre, London	Dec 2019	Apartments, Hotel & Retails	1.1	GBP182	46%
Harbourside HQ, (previously called Octa Tower) Hong Kong	Aug 2018	Office, Retail & Carpark	0.8	HKD1,875	25%
Nine Elms Square, London	Aug 2017	Residential	1.7	GBP260	50%
		Total	3.6		

Major acquisition: Whiteleys



- Located in Queensway, W2
- A former shopping mall constructed in 1908
- Committed to investing **£182 million** to regenerate and redevelop the project
- A mixed-used scheme planned to have **1.1 million sq.ft.** with **153 apartments**, **5-star hotel**, retail spaces
- Completion is expected in **2023**
- The Group has **50%** voting power



Major Investment Property: 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 Sheldon Square of 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. **5.0%** per annum.
- Occupancy rate is **100%**.



Photo source:

http://www.trekearth.com/gallery/Europe/United_Kingdom/England/London/Paddington/photo117240.htm

Major Investment Property: One Kingdom Street (cont'd)

- Currently fully multi-let to a variety of tenants, including Vodafone, Takeda, Finastra and Equinor.
- Current annual contract rental income in the region of approx. **GBP15.0 million**, Rent review in 2019 with weighted average increase of **4.3%**.



vodafone

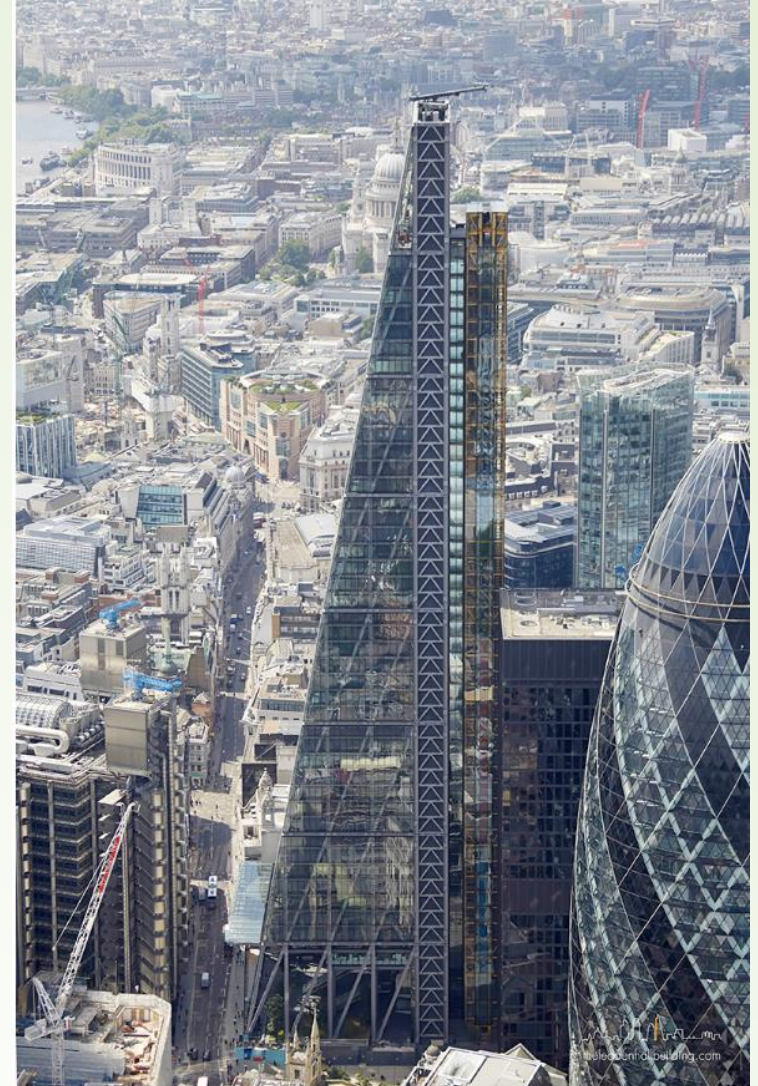
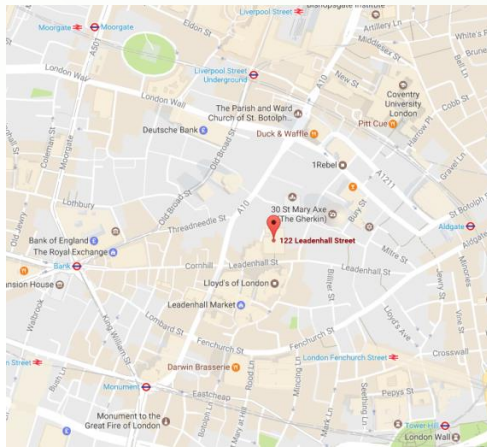


Photo source: <https://www.flickr.com/photos/egfocus/3660244820/>

Major Investment Property: 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 contract rental income in the region of approx. **GBP40.5 million**, rent review in 2019 with weighted average increase of 7%.
- Rental yield is approx. **3.5%** per annum.
- Occupancy rate is **100%**.
- Received **“2018 RIBA London Awards”** & shortlisted to the National Awards.



Major Investment Property: Leadenhall Building (cont'd)



- Fully multi-let with a weighted average unexpired lease term of approx. 11 years with over 7 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.



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 2023. Selected residential units of Phase I were launched for marketing in the first quarter of 2020.



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



Outlook & Strategies



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

- This document contains information that is commercially sensitive, and is proprietary and confidential in nature. Any professional privilege to which this document is subject is not waived or lost by reason of mistaken delivery or transmission. If you receive a copy of this document but are not an authorized recipient, you must not use, distribute, copy, disclose or take any action in reliance on this document or its contents.
- The information contained in this document is provided for information purposes only and has not been independently verified. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this document should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. Neither the Company nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.
- The document contains statements that reflect the Company's beliefs and expectations about the future. These forward-looking statements are based on a number of assumptions about the Company's operations and factors beyond the Company's control, and accordingly, actual results may differ materially from those in or expected under the forward-looking statement. The Company does not undertake to revise forward-looking statements to reflect future events or circumstances.