



# C C Land Holdings Limited

## Interim Results 2020

August 2020

( Stock Code: 1224 )

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## 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 six months ended 30 Jun (HK\$'000)</i>	<b>2020</b>	<b>2019</b>	<b>Change</b>
Revenue	<b>277,440</b>	279,014	<b>-1%</b>
Gross profit	<b>276,109</b>	273,197	<b>1%</b>
Other income and gains, net	<b>132,028</b>	130,717	<b>1%</b>
Profit before tax	<b>9,125</b>	103,374	<b>-91%</b>
Profit/ (Loss) attributable to shareholders	<b>(1,867)</b>	84,541	<b>N/A</b>
Earnings/ (Loss) per share (HK cents) - Basic and diluted	<b>(0.05)</b>	2.18	<b>N/A</b>
Interim dividend (HK cents per share)	<b>NIL</b>	NIL	<b>N/A</b>

## Rental Income for 1H 2020 (GBP Million)

Property	1H 2020	1H 2019	Change
The Leadenhall Building	<b>16.7</b>	16.0	<b>+4.4%</b>
One Kingdom Street	<b>7.6</b>	7.6	<b>No Change</b>

Rental recovery over 94% due to its heavy weighting of blue chip tenants and high quality asset management.

## Source of Income

Six months ended 30 June	2020	2019	Change
Treasury Investment (HK\$ Mn)	<b>41.3</b>	39.1	<b>+6%</b>
Rental Income (HK\$ Mn)	<b>236.1</b>	239.9	<b>-2%</b>
<b>Total (HK\$ Mn)</b>	<b>277.4</b>	279.0	<b>-1%</b>

The rental income decrease resulted from the depreciation of approximately 4% of the average exchange rate of the GBP against HK\$ but was partially offset by the rent review.



# Strong Financial Position

	2020 As at 30 Jun (HK\$ Mn)	2019 As at 31 Dec (HK\$ Mn)	Change
Total Assets	<b>29,651</b>	29,479	<b>+1%</b>
Total Liabilities	<b>12,716</b>	11,973	<b>+6%</b>
Shareholders' Equity	<b>16,935</b>	17,506	<b>-3%</b>
Cash and Cash Equivalents	<b>7,157</b>	6,029	<b>+19%</b>
Bank Balances (Restricted / Pledged)	<b>109</b>	1,032	<b>-89%</b>
Total Bank Borrowings	<b>9,697</b>	8,948	<b>+8%</b>
Guaranteed Notes	<b>1,926</b>	1,923	<b>+0.2%</b>
Net Borrowings	<b>4,357</b>	3,810	<b>+14%</b>

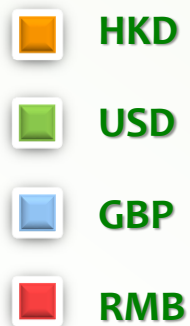
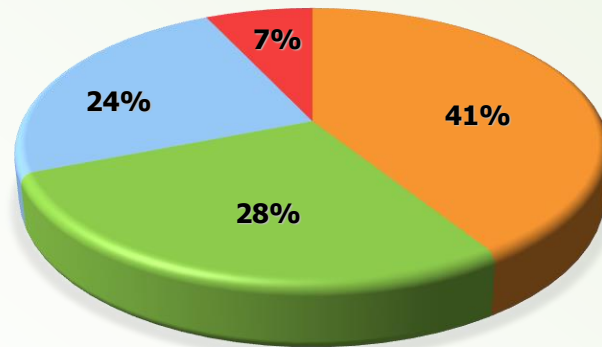
Book cost per share : **HK\$4.36**

(31 Dec 2019: HK\$4.51)

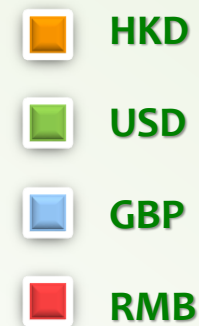
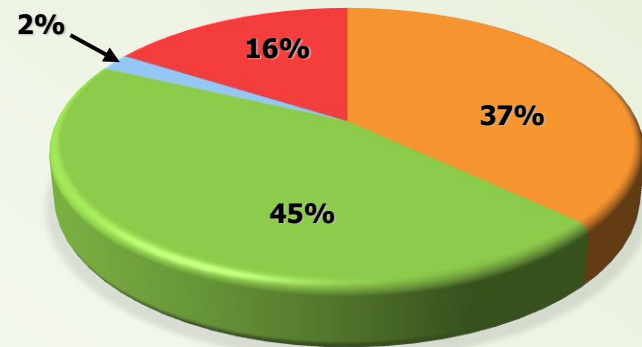
Net gearing: **25.7%** (31 Dec 2019: 21.8%)

# Cash and Bank Balances

**Total HK\$7.3 billion  
as at 30 Jun 2020**

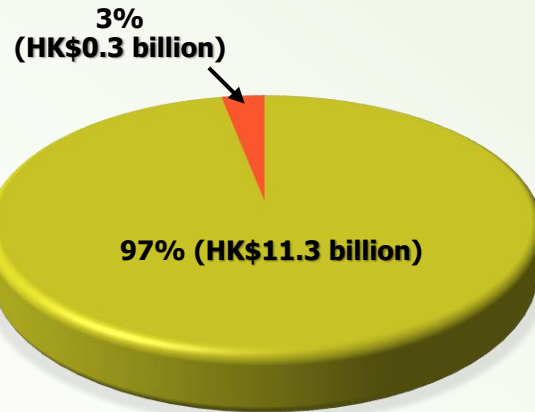




**Total HK\$7.1 billion  
as at 31 Dec 2019**



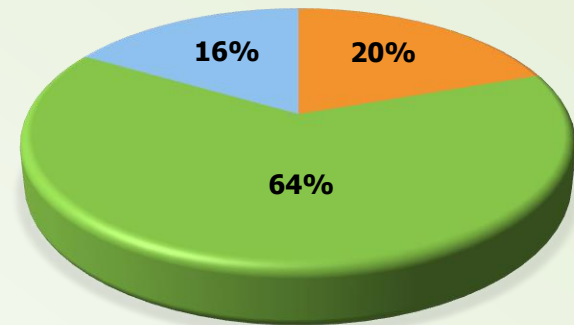
# Total Borrowings

## Repayment Dates 30 Jun 2020



-  Repayable within 1 year (HK\$0.3 billion)
-  Repayable after 1 year (HK\$11.3 billion)

## In Terms of Currency 30 Jun 2020



-  HKD
-  GBP
-  USD

Total outstanding borrowings as at 30 Jun 2020: **HK\$11.6 billion**  
(31 Dec 2019: HK\$10.9 billion)



## 1H 2020 Business Review

# Notable Achievements in 1H 2020

**1**

**Pandemic has limited impact on our rental business**

**2**

**Rental recovery over 94% due to its heavy weighting of blue chip tenants and high quality asset management**

**3**

**Nine Elms Square soft presale of Phase 1 with satisfactory response**

**4**

**Melbourne project has submitted a planning to provide approximately 307,000 sqf of net lettable office accommodation over 35 levels plus retail space of 5,000 sqf**

**5**

**“The Leadenhall Building App” co-ordinates building-wide events and a forum for members to give input to and support future development of the building**

# 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
85 Spring Street, Melbourne CBD, Australia	Apr 2019	Office & Carpark	AUD112	110,000*	41.9%
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%
<b>Total</b>				<b>985,000</b>	

\*submitted a planning to provide approximately 307,000 sqf of net lettable office accommodation over 35 levels plus retail space of 5,000 sqf.

# 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	0.6	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%
<b>Total</b>			<b>3.1</b>		



# 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 **580,000 sq.ft.** with **153 apartments**, a **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](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%.



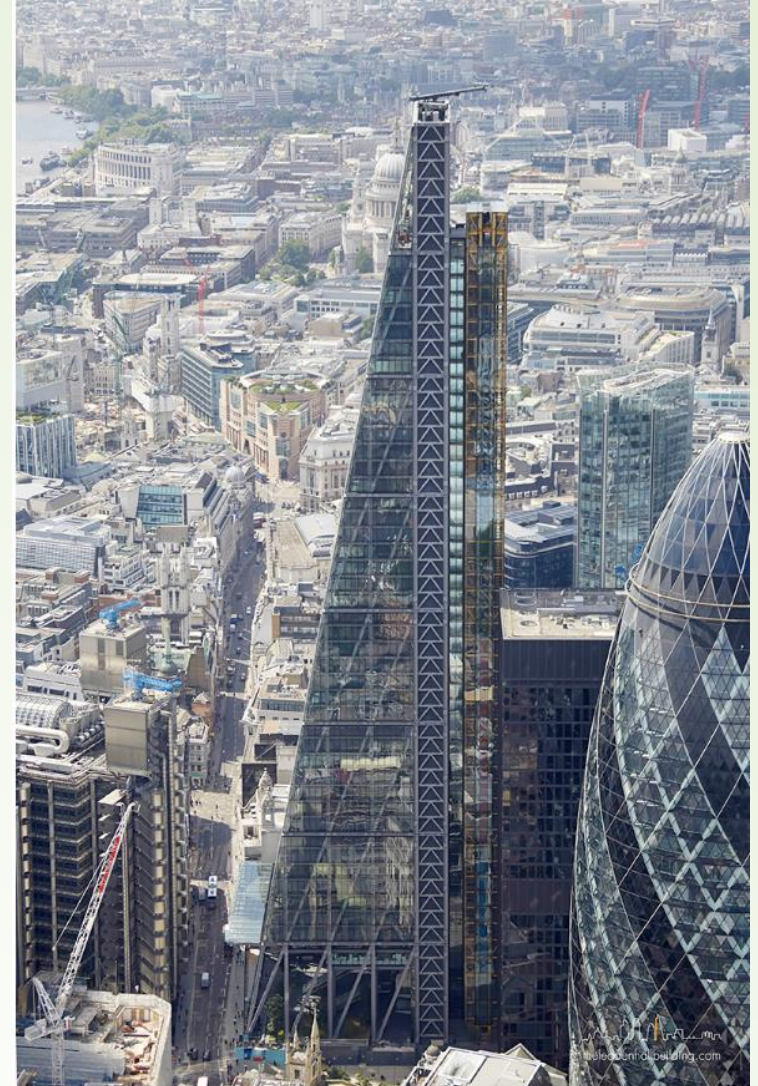
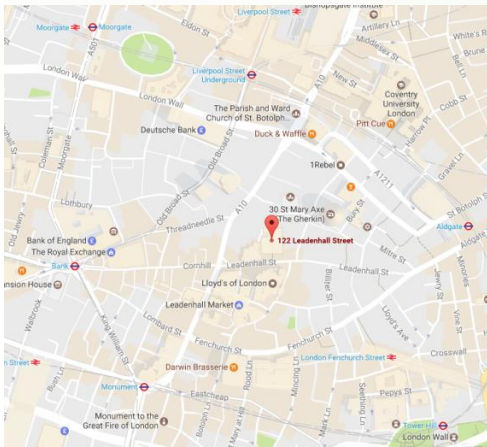
Photo source: <https://www.flickr.com/photos/egfocus/3660244820/>



# 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. 10 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.
- “The Leadenhall Building App” has been developed to coordinate building-wide events and activities





# 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 pre-sale in the first half 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**



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