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C C Land Holdings Limited

中渝置地控股有限公司

(Incorporated in Bermuda with limited liability)

Website: www.ccland.com.hk

(Stock Code: 1224)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors (the “Board”) of C C Land Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2015 together with comparative figures for the corresponding period in 2014 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
		2015	2014
	Notes	(Unaudited) HK\$'000	(Unaudited) HK\$'000
REVENUE	3, 4	4,100,009	4,787,032
Cost of sales		<u>(2,906,878)</u>	<u>(3,221,661)</u>
Gross Profit		1,193,131	1,565,371
Other income and gains	4	441,748	581,971
Selling and distribution expenses		(161,774)	(176,160)
Administrative expenses		(212,134)	(174,406)
Other expenses		(7,043)	(38,192)
Finance costs		(76,454)	(83,189)
Share of profits and losses of:			
Joint ventures		(23,228)	(5,573)
Associates		18,186	(4,745)
PROFIT BEFORE TAX	5	1,172,432	1,665,077
Income tax expense	6	<u>(404,674)</u>	<u>(748,849)</u>
PROFIT FOR THE PERIOD		<u>767,758</u>	<u>916,228</u>

		Six months ended 30 June	
		2015	2014
		(Unaudited)	(Unaudited)
	Note	HK\$'000	HK\$'000
Attributable to:			
Owners of the parent		587,650	812,070
Non-controlling interests		180,108	104,158
		<u>767,758</u>	<u>916,228</u>
EARNINGS PER SHARE ATTRIBUTABLE TO			
ORDINARY EQUITY HOLDERS OF THE			
PARENT			
	9		
Basic and diluted		<u>HK22.70 cents</u>	<u>HK31.38 cents</u>

Details of dividends are disclosed in note 8 to this results announcement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
PROFIT FOR THE PERIOD	<u>767,758</u>	<u>916,228</u>
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Available-for-sale investments:		
Changes in fair value	173,722	27,729
Deferred tax	(16,689)	497
	<u>157,033</u>	<u>28,226</u>
Exchange fluctuation reserve:		
Release upon disposal of subsidiaries	-	(81,132)
Exchange differences on translation of foreign operations	1,491	(145,671)
	<u>1,491</u>	<u>(226,803)</u>
Share of other comprehensive income of joint ventures	122	166
Share of other comprehensive income of associates	566	(16,546)
	<u>122</u>	<u>166</u>
Share of other comprehensive income of associates	566	(16,546)
	<u>566</u>	<u>(16,546)</u>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>159,212</u>	<u>(214,957)</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>159,212</u>	<u>(214,957)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>926,970</u>	<u>701,271</u>
Attributable to:		
Owners of the parent	746,004	616,490
Non-controlling interests	180,966	84,781
	<u>926,970</u>	<u>701,271</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
	Notes		
NON-CURRENT ASSETS			
Property and equipment	10	48,733	184,099
Investment properties		-	421,666
Prepaid land lease payments		-	121,068
Golf club membership		10,540	10,540
Investments in joint ventures		129,348	439,947
Investments in associates		1,462,624	1,503,311
Available-for-sale investments		686,463	690,448
Properties under development	10	5,393,131	7,324,735
Interests in land use rights for property development	10	761,681	961,336
Consideration receivable on disposal of a subsidiary		291,018	290,922
Deferred tax assets		169,078	147,076
Total non-current assets		8,952,616	12,095,148
CURRENT ASSETS			
Properties under development	10	11,823,328	18,993,862
Completed properties held for sale		4,555,296	6,084,612
Prepaid land lease payments		-	2,565
Prepayments, deposits and other receivables		1,789,114	1,965,948
Equity investments at fair value through profit or loss		890,135	848,057
Available-for-sale investments		-	38,789
Prepaid income tax and land appreciation tax		132,004	115,525
Deposits with brokerage companies		2,704	58,030
Pledged deposits		790,759	1,880,790
Restricted bank balances		1,227,905	1,357,267
Cash and cash equivalents		4,350,024	6,280,933
		25,561,269	37,626,378
Assets of a disposal group classified as held for sale	7	15,085,208	-
Total current assets		40,646,477	37,626,378
CURRENT LIABILITIES			
Trade and bills payables	11	3,994,634	4,510,638
Other payables and accruals		11,598,559	11,930,179
Loans from non-controlling shareholders of subsidiaries		568,926	559,821
Interest-bearing bank and other borrowings		5,730,268	4,152,564
Tax payable		1,418,403	2,939,012
Consideration payable on acquisition of subsidiaries		1,100	18,847
		23,311,890	24,111,061
Liabilities directly associated with a disposal group classified as held for sale	7	5,587,889	-
Total current liabilities		28,899,779	24,111,061

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
NET CURRENT ASSETS	<u>11,746,698</u>	<u>13,515,317</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>20,699,314</u>	<u>25,610,465</u>
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	3,475,866	7,929,438
Deferred tax liabilities	<u>79,404</u>	<u>1,136,902</u>
Total non-current liabilities	<u>3,555,270</u>	<u>9,066,340</u>
Net assets	<u><u>17,144,044</u></u>	<u><u>16,544,125</u></u>
EQUITY		
Equity attributable to owners of the parent		
Issued capital	12 258,822	258,822
Reserves	<u>15,154,838</u>	<u>14,538,245</u>
	<u>15,413,660</u>	<u>14,797,067</u>
Non-controlling interests	<u>1,730,384</u>	<u>1,747,058</u>
Total equity	<u><u>17,144,044</u></u>	<u><u>16,544,125</u></u>

Notes:

1. BASIS OF PREPARATION

The Company is incorporated in Bermuda as an exempted company with limited liability and whose shares are publicly traded on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal activities of the Group are described in note 3 below.

The unaudited interim condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2014.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA, accounting principles generally accepted in Hong Kong, except for the adoption of the new and revised HKFRSs as disclosed in note 2 below.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following amendments to HKFRSs for the first time for the current period’s unaudited interim condensed consolidated financial statements:

Amendments to HKAS 19 <i>Annual Improvements</i> <i>2010-2012 Cycle</i>	<i>Defined Benefit Plans: Employee Contributions</i> Amendments to a number of HKFRSs
<i>Annual Improvements</i> <i>2011-2013 Cycle</i>	Amendments to a number of HKFRSs

The adoption of these HKFRSs has had no significant financial effect on the unaudited interim condensed consolidated financial statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- Property development and investment segment – Development and investment of properties located in Mainland China
- Treasury investment segment – Investments in securities and notes receivables, and provision of financial services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax except that finance costs and head office and corporate income and expenses are excluded from such measurement.

Information regarding these reportable segments is presented below.

Reportable segment information

For the six months ended 30 June 2015 – unaudited

	Property development and investment HK\$'000	Treasury investment HK\$'000	Total HK\$'000
Segment revenue			
Sales to external customers	3,870,525	229,484	4,100,009
Segment results	734,729	528,408	1,263,137
Corporate and unallocated income			319
Corporate and unallocated expenses			(14,570)
Finance costs			(76,454)
Profit before tax			1,172,432

For the six months ended 30 June 2014 – unaudited

	Property development and investment HK\$'000	Treasury investment HK\$'000	Total HK\$'000
Segment revenue			
Sales to external customers	4,791,316	(4,284)	4,787,032
Segment results	1,777,950	(18,329)	1,759,621
Corporate and unallocated income			3,040
Corporate and unallocated expenses			(14,395)
Finance costs			(83,189)
Profit before tax			1,665,077

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<u>Revenue</u>		
Sale of properties	3,858,589	4,780,254
Gross rental income	11,936	11,062
Gains/(losses) on disposal of equity investments at fair value through profit or loss, net	217,726	(8,412)
Dividend income from equity investments	11,711	1,644
Interest income from debt investments	47	2,484
	<u>4,100,009</u>	<u>4,787,032</u>
	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<u>Other income and gains</u>		
Bank interest income	52,696	42,539
Other interest income	51,298	53,262
Compensation for termination of a joint venture project	22,797	-
Gain on disposal of subsidiaries	-	466,952
Gain on disposal of investment properties	5,525	-
Fair value gains on investment properties	-	13,999
Fair value gains on equity investments at fair value through profit or loss, net	302,559	-
Others	6,873	5,219
	<u>441,748</u>	<u>581,971</u>

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Cost of properties sold	2,904,929	3,219,692
Depreciation	14,454	12,280
Less: Amount capitalised	(1,339)	(1,453)
	<u>13,115</u>	<u>10,827</u>
Amortisation of prepaid land lease payments	1,280	1,277
Interest on bank and other borrowings	371,558	376,290
Less: Interest capitalised	(295,104)	(293,101)
	<u>76,454</u>	<u>83,189</u>

Employee benefit expense (including directors' remuneration):

Wages and salaries	172,245	153,142
Pension scheme contributions	6,331	5,967
Less: Amount capitalised	(64,230)	(67,796)
	<u>114,346</u>	<u>91,313</u>

6. INCOME TAX

No Hong Kong profits tax has been provided as the Group does not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2014: Nil). Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in Mainland China.

	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current charge for the period		
Mainland China	193,349	421,720
Underprovision in prior periods		
Mainland China	298	1,039
Land appreciation tax charge for the period	234,093	455,615
Deferred tax	<u>(23,066)</u>	<u>(129,525)</u>
Total tax charge for the period	<u>404,674</u>	<u>748,849</u>

7. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 2 June 2015, the Group entered into a sale and purchase agreement with an independent third party to dispose of its 92% equity interest in Starthigh International Limited ("Starthigh", together with its subsidiaries, the "Starthigh Group") and a shareholder's loan owed by Starthigh Group to the Group for a total consideration of RMB5,500,000,000 (equivalent to approximately HK\$6,968,500,000).

The Starthigh Group is principally engaged in property development and investment in Mainland China. The assets and liabilities of the Starthigh Group were classified as a disposal group held for sale and was presented separately in the consolidated statement of financial position as at 30 June 2015.

At 30 June 2015, assets of a disposal group classified as held for sale with a carrying amount of HK\$2,984,146,000 (31 December 2014: Nil) were pledged to secure the bank loans granted to the Starthigh Group, which were included in liabilities directly associated with a disposal group classified as held for sale.

8. DIVIDENDS

During the six months ended 30 June 2015, the Company declared a final dividend of HK\$0.05 per ordinary share amounting to HK\$129,411,000 for the year ended 31 December 2014 which was paid on 10 June 2015.

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2015.

During the six months ended 30 June 2014, the Company declared a final dividend of HK\$0.045 per ordinary share amounting to HK\$116,470,000 for the year ended 31 December 2013 which was paid on 18 June 2014.

No interim dividend was declared for the six months ended 30 June 2014.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share presented for the six months ended 30 June 2015 and 2014 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share presented.

The calculations of basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<u>Earnings</u>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	587,650	812,070
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	2,588,223,112	2,588,223,112

10. ADDITIONS TO PROPERTY AND EQUIPMENT/ PROPERTIES UNDER DEVELOPMENT/ INTERESTS IN LAND USE RIGHTS FOR PROPERTY DEVELOPMENT

During the six months ended 30 June 2015, the Group incurred HK\$7,519,000 (six months ended 30 June 2014: HK\$30,379,000) on the additions of items of property and equipment.

During the six months ended 30 June 2015, the Group incurred HK\$4,270,174,000 (six months ended 30 June 2014: HK\$3,704,222,000) on the additions of properties under development.

During the six months ended 30 June 2015, the Group incurred HK\$22,426,000 (six months ended 30 June 2014: HK\$496,968,000) on the additions of interests in land use rights for property development.

11. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June	31 December
	2015	2014
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Within 1 year	3,994,634	4,510,638

12. SHARE CAPITAL

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Authorised:		
5,000,000,000 (31 December 2014: 5,000,000,000) ordinary shares of HK\$0.10 (31 December 2014: HK\$0.10) each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
2,588,223,112 (31 December 2014: 2,588,223,112) ordinary shares of HK\$0.10 (31 December 2014: HK\$0.10) each	<u>258,822</u>	<u>258,822</u>

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

After a decade of fast growth in the property sector in the PRC spurred by the country's spiralling gross domestic product ("GDP") growth, the real estate market sentiments went cold for more than a year, due to external economic factors and the slowing down of PRC's GDP growth. The PRC recorded a six-year low GDP growth of 7% in the first half of 2015. The central bank's recent rates cuts, combined with relaxation in the restrictive policy on the property market, succeeded to stimulate market sentiments and attracted more potential buyers into the market. There are signs of stabilization in the property market. However, it is believed unless there is further relaxation of the cooling measures from the government, the current market sentiments can, at best, be lukewarm.

The Group continued to adopt a prudent and cautious investment strategy. Inventory reduction is considered to be necessary to meet the changing market conditions. In June 2015, the management seized a market opportunity available to the Group to dispose of its entire 92% interest in Starthigh International Limited ("Starthigh") which, through Chongqing Zhong Yu Property Development Company Limited ("CQZY"), holds a property portfolio with a gross floor area ("GFA") of approximately 3.4 million sqm in the Yubei and other districts in Chongqing and Yunnan ("CQZY Projects") at market price. The disposal offered the Group the opportunity for a one-off, accelerated realization of a significant portion of its property inventory, thereby avoiding the uncertainties arising from the effects of severe market competition coming from other developers with excessive inventory build-up. The disposal enabled the value of CQZY to be realized and unlocked substantial value for shareholders. The cash proceeds from the transaction amounted to approximately HK\$7.0 billion (RMB5.5 billion), and is a substantial cash resource for future business opportunities for the Group. The transaction was completed before the report date, and provided a profit after tax of approximately HK\$295.5 million.

Following the completion of the disposal of Starthigh, in July 2015, the Group has also entered into an agreement to dispose of all its entire interest in Joyview Group Limited ("Joyview") which, through its 51% indirect beneficial interest in Chengdu Guojia Cheer Gain Property Company Limited, holds most of the Group's Chengdu projects ("CDGJ Projects") at a total consideration of approximately HK\$2.7 billion (RMB2.1 billion), thereby recording an after tax gain on disposal of HK\$820.9 million. The CDGJ Projects comprising of 7 projects which were under different stages of development, with a GFA of 1.9 million sqm, comprising of residential, commercial, office and car parks.

The Directors believed that after the above two disposals, the Group can improve its capital utilization and increase its liquidity which will enhance its future development potential. With a streamlined operation and a healthy inventory of property holdings, the Group will be able to continue its policy of selective price adjustments of its inventory to maximize the Group's future gains.

For the first half of 2015, the Group recorded a revenue of HK\$4,100.0 million, a decrease of 14.4% compared to HK\$4,787.0 million in the first half of 2014. The net profit was HK\$767.8 million, representing a decrease of 16.2% compared to HK\$916.2 million during the same period in 2014. The booked GFA was 458,600 sqm, a decrease of 13.8% from the same period last year. The decrease in net profit was attributable to the recording of a non-recurring gain in last year's corresponding period through the disposal of the Zhaomu Mountain project which yielded a profit after tax of HK\$431.2 million.

The profit attributable to shareholders for the period amounted to HK\$587.7 million (six months ended 30 June 2014: HK\$812.1 million), representing a decrease of 27.6%. The basic earnings per share for the period were HK22.70 cents (six months ended 30 June 2014: HK31.38 cents).

Recognized Revenue

During the six months ended 30 June 2015, the property sales revenue was HK\$3,858.6 million (RMB3,047.8 million) (six months ended 30 June 2014: HK\$4,780.3 million (RMB3,786.9 million)) against a total booked GFA sales of 458,600 sqm (six months ended 30 June 2014: 531,900 sqm). The revenue from property sales and booked GFA represented a decrease of 19.3% and 13.8% respectively from those of the corresponding period of 2014. The recognized revenue mainly came from 6 projects in Chongqing, 3 projects in Chengdu and 1 project in Guiyang. The average selling price ("ASP") of recognized sales was RMB6,650 per sqm (six months ended 30 June 2014: RMB7,120 per sqm), representing a decrease of 6.6%. The Group recorded a high transaction volume of 60,400 sqm from the sales of commercial and office units with a higher ASP, which compensated for the lower ASP for residential apartments delivered in the period. The booked gross profit margin for the period was 25% representing a decrease of 8 percentage points for the corresponding period in 2014 (33%), as more high-end residential projects were delivered in the first half of 2014.

The recognized sales revenues by projects for the six months ended 30 June 2015 are as follows:

Projects	Usage	GFA (sqm)	Sales Revenue Net of Business Tax (RMB'000)	ASP Net of Business Tax (RMB)	The Group's Interest
Chongqing					
L'Ambassadeur Phases I to IV	Residential	5,100	39,000	7,700/sqm	92%
	Commercial	400	10,800	28,820/sqm	
	Car Park	7,900	22,000	102,900/unit	
Zhongyu Plaza					
- Tower 6	Office	1,100	15,800	14,830/sqm	74%
- Tower 8	Office	2,100	32,000	15,380/sqm	92%
Phoenix County Phases I to III	Residential	11,700	85,100	7,300/sqm	100%
	Commercial	2,100	40,900	19,470/sqm	
	Car Park	20,100	55,900	114,060/unit	
Academic Heights Phases I & II	Residential	21,900	96,900	4,420/sqm	92%
	Commercial	400	8,800	20,290/sqm	
Verakin New Park City	Residential	151,900	934,600	6,150/sqm	51%
	Commercial	3,900	69,800	17,720/sqm	
	Car Park	2,600	6,000	88,710/unit	
Bishan Verakin New Park City – Zones A & B	Residential	61,200	293,000	4,790/sqm	26%
	Commercial	8,100	125,600	15,500/sqm	
Others	Residential/ Commercial/ Car Park	12,000	67,400		

Chengdu					
Brighton Place & Plaza Phases I to V	Residential	500	3,400	7,080/sqm	51%
	Commercial	7,000	234,000	33,440/sqm	
	Office	32,900	281,600	8,550/sqm	
	Car Park	11,500	44,800	127,710/unit	
Villa Royale Phases I to III & V	Residential	8,700	128,800	14,800/sqm	51%
	Car Park	2,000	8,700	141,600/unit	
Sky Villa Phase II	Residential	1,900	38,000	19,520/sqm	51%
	Car Park	1,000	3,800	135,180/unit	
Others	Residential/ Car Park	1,400	6,800		
Guiyang					
First City, Guiyang Phases I & III	Residential	40,100	196,800	4,900/sqm	85%
	Commercial	500	10,100	20,150/sqm	
Other districts					
Radiant Bay Phases I & II	Residential	37,500	180,500	4,820/sqm	100%
Others	Residential/ Car Park	1,100	6,900		
TOTAL		458,600	3,047,800		

In terms of location, the contributions to recognized revenue and booked area in terms of percentage respectively were as follows:

	Recognized Revenue		Booked Area	
	First Half of 2015	2014	First Half of 2015	2014
Chongqing	62%	59%	68%	64%
Chengdu	25%	21%	15%	18%
Guiyang	7%	18%	9%	15%
Other districts	6%	2%	8%	3%
Total	100%	100%	100%	100%

In terms of usage, about 67% (six months ended 30 June 2014: 80%) is for residential and the balance for non-residential purposes.

As at 30 June 2015, the unrecognized revenue, after excluding the disposal of the CQZY and the CDGJ Projects to be completed in the second half of 2015, was approximately RMB5.0 billion, representing a pre-sold area of 0.7 million sqm, out of which, about RMB2.6 billion are from projects which are completed or expected to be completed in the second half of 2015. The revenue can be recognized only when the relevant property has been completed, occupation permit issued and the property delivered to the purchaser.

Seven projects completed on schedule in the first half of 2015. The total GFA completed by the Group in the period under review amounted to approximately 746,600 sqm (first half of 2014: 591,200 sqm). The details are as follows:

Projects	Usage	GFA (sqm)	Percentage of Area Sold as at 30 June 2015	The Group's Interest
Chongqing				
Phoenix County Phase III	Residential	72,300	48%	100%
Verakin New Park City - Zone M	Residential	127,300	100%	51%
	Commercial	5,500	62%	
	Others	36,900		
Bishan Verakin New Park City - Zone A	Residential	54,100	97%	26%
	Commercial	20,100	40%	
	Others	17,300		
Chengdu				
Brighton Place & Plaza Phases I to V	Commercial	17,100	45%	51%
	Office	80,200	48%	
	Others	88,400		
Villa Royale Phases III & V	Residential	50,100	27%	51%
	Others	9,800	28%	
Guiyang				
First City, Guiyang Phase III	Residential	71,900	96%	85%
	Commercial	23,000	23%	
	Others	33,200		
Dazhou				
Radiant Bay Phase II	Residential	39,400	90%	100%
TOTAL		<u>746,600</u>		

Contract Sales

Following the gradual relaxation of the cooling measures on the property sector, and other government's measures to attract homebuyers since September 2014, the fall in housing sales was arrested in the last quarter of 2014. Housing market activity and prices have been more stable in the first half of 2015.

A total of twenty six projects were launched for presales in the period. The total contract sales during the period amounted to RMB2,797.6 million (six months ended 30 June 2014: RMB2,927.1 million) which is a 4.4% decline when compared with the same period of last year. However, the area sold was 441,400 sqm which is 31.5% higher when compared with the same period of last year. The overall ASP was RMB6,340 per sqm, representing a decrease of 27.3% compared to RMB8,720 per sqm in the same period last year. The fall in ASP is mainly due to the change of product mix with more mass market products put up for sales in response to end-user demand. Moreover, the contract sales for non-residential products which carried a higher ASP is only 20% of the total contract sales while it was 40% for the corresponding period of previous year. Sales were realized in Chongqing, Chengdu, Guiyang, Xi'an and Dazhou.

In addition to the contract sales above, as at 30 June 2015, after excluding the CQZY and CDGJ Projects, a total GFA of 91,000 sqm at a value of RMB728 million was subscribed for, and will be converted to contract sales in the coming months.

The breakdown of the contract sales in the first half of 2015 is as follows:

Projects	Usage	Approximate Contract Sales Area (sqm)	Approximate Contract Sales Revenue (RMB'000)	Approximate Contract ASP Before Business Tax (RMB)
Chongqing				
L' Ambassadeur Phases I to IV	Residential	3,800	27,900	7,400/sqm
	Commercial	200	5,300	26,980/sqm
	Car Park	7,900	23,400	108,940/unit
Verakin New Park City	Residential	2,300	24,000	10,210/sqm
	Commercial	700	14,500	20,950/sqm
	Office	11,600	77,700	6,670/sqm
	Car Park	4,000	9,200	87,720/unit
Bishan Verakin New Park City - Zones A, B & C	Residential	20,800	91,400	4,380/sqm
	Commercial	200	5,100	24,760/sqm
Verakin Joyful City Phase I	Residential	47,000	214,900	4,570/sqm
	Commercial	400	7,700	21,210/sqm
Riverside One, Wanzhou Phase III	Residential	2,200	7,300	3,340/sqm
	Commercial	2,100	18,600	8,710/sqm
	Car Park	1,800	3,300	56,290/unit
Phoenix County Phases I to III	Residential	35,300	299,700	8,480/sqm
	Commercial	2,500	39,500	15,750/sqm
	Car Park	20,100	59,200	120,700/unit
Academic Heights Phases I to III	Residential	34,200	126,000	3,690/sqm
	Commercial	400	4,100	9,790/sqm
Residence Serene Phases I & II	Residential	26,500	191,200	7,210/sqm
	Commercial	300	4,400	15,970/sqm
Mansions on the Peak Others	Residential	800	25,000	31,090/sqm
	Residential/ Commercial/ Car park	2,700	14,800	
		227,800	1,294,200	
Chengdu				
Sky Villa Phases II & III	Residential	16,500	279,100	16,960/sqm
	Car Park	800	3,600	149,170/unit
Sky Villa Condominiums	Commercial	1,400	44,600	31,210/sqm
	Residential	200	1,900	8,530/sqm
Brighton Place & Plaza Phases II, IV & V	Office	10,800	97,400	9,030/sqm
	Car park	12,300	55,500	148,450/unit
	Residential	4,200	70,800	16,980/sqm
Villa Royale Phases III & V	Car Park	700	3,300	150,000/unit
	Residential	31,600	176,100	5,570/sqm
Residence du Paradis Phases I & II	Commercial	1,600	19,800	12,760/sqm
	Residential	24,000	137,200	5,710/sqm
Residence du Lac Phases I & II	Commercial	900	16,300	17,270/sqm
	Residential	1,400	7,200	
		106,400	912,800	
Guiyang				
First City, Guiyang Phases I to IV	Residential	41,900	259,100	6,190/sqm
	Commercial	700	11,400	15,950/sqm
	Office	1,900	10,200	5,370/sqm
	Car Park	1,600	7,700	97,720/unit
Florentia Town Phase I	Residential	10,000	47,600	4,790/sqm
	Commercial	700	15,400	20,670/sqm
		56,800	351,400	

Xi'an

Zhongyu Metropol Phases I & II	Residential	31,600	142,400	4,510/sqm
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Other Districts

Silver Lining	Residential	700	4,700	7,020/sqm
	Car Park	100	600	156,500/unit
Radiant Bay Phases I & II	Residential	18,000	91,500	5,080/sqm
		18,800	96,800	
TOTAL		441,400	2,797,600	

The breakdown of the contract sales for the first half of 2015 from Chongqing, Chengdu, Guiyang, Xi'an and other districts were 46%, 33%, 13%, 5% and 3% respectively. The ASPs breakdown by location is as follows:

ASP (RMB per sqm)	First half of 2015	First half of 2014	Percentage change
Chongqing	5,680	8,760	-35.2%
Chengdu	8,590	10,210	-15.9%
Guiyang	6,190	10,150	-39.0%
Xi'an	4,510	5,260	-14.3%
Others	5,140	5,170	-0.6%
Overall for the Group	6,340	8,720	-27.3%

In terms of usage, about 80% (first half of 2014: 60%) were for residential and 20% (first half of 2014: 40%) for non-residential properties. The ASPs breakdown by usage is as follow:

ASP (RMB)	First half of 2015	First half of 2014	Percentage change
Residential (per sqm)	6,310	7,370	-14.4%
Commercial (per sqm)	16,760	22,250	-24.7%
Office (per sqm)	7,510	8,480	-11.4%
Carparks (per unit)	121,170	124,940	-3.0%

Land Bank

The Group mindful of the overall drop in the pace of new home construction starts in the property market did not make any land acquisition in the first half of the year.

Subsequent to 30 June 2015, the Group entered into an agreement to dispose of the CDGJ Projects, comprising a total GFA of 1.9 million sqm in different stages of development. The disposal offered the opportunity for a one-off, accelerated realization of a portion of the Group's property inventory, and improved the Group's cash position to meet short-term borrowings due for repayment in the near term, and to look at other investments. The proceeds received will be used as working capital of the Group.

As at the report date, the Group's land bank, after excluding 1.7 million sqm GFA of the CDGJ Projects, stood at 7.0 million sqm GFA (of which 4.6 million sqm GFA was attributable to the Group). These land lots are located in four cities: Chongqing, Guiyang, Xi'an and Dazhou. The average accommodation value of the portfolio is around RMB1,680 per sqm.

As at the report date, the Group's land bank has a well-diversified portfolio. Taking into account of the expected completion in the second half of 2015 of the disposal of the CDGJ Projects, the breakdown of the remaining land bank by usage is as follows:

Usage	Completed Properties held for Sale GFA (sqm)	Land held for Development GFA (sqm)		Total GFA (sqm)	Percentage of Total GFA
		Total	Attributable		
Commercial	125,000	979,000	670,000	1,104,000	14.4
Residential	169,000	3,207,000	1,977,000	3,376,000	44.0
Office	-	924,000	666,000	924,000	12.1
Serviced apartment	-	136,000	41,000	136,000	1.8
Townhouse & villa	33,000	263,000	216,000	296,000	3.9
Others (Car-park spaces and other auxiliary facilities)	300,000	1,527,000	1,067,000	1,827,000	23.8
TOTAL	627,000	7,036,000	4,637,000	7,663,000	100.0

In terms of usage, about 51% of the land held for development is for residential, serviced apartments as well as town-house and villa use and the remaining 49% for office, commercial and other developments. In respect of the total 202,000 sqm completed residential, townhouse and villa properties held for sale, about 43% have been pre-sold and are pending delivery.

The breakdown of the land bank held for development by location is as follows:

Locations	Total GFA (sqm)	Attributable GFA (sqm)	Percentage of Total GFA
Chongqing	3,164,000	1,220,000	45.0
Sichuan -Dazhou	201,000	201,000	2.9
Guiyang	3,033,000	2,578,000	43.1
Xi'an	638,000	638,000	9.0
TOTAL	7,036,000	4,637,000	100.0

Around 45% of the land bank held for development is located in Chongqing whilst 55% is in Dazhou, Guiyang and Xi'an.

There were 11 projects in different stages of development during the period. The total area under construction as at 30 June 2015 was about 1.9 million sqm which is about 27% of the Group's total land bank.

As at the report date, details of the Group's land bank held for development, excluding the CDGJ Projects, are as follows:

Locations/Project Names	Expected Completion Date	GFA (sqm)	The Group's Interest
Chongqing, Yubei District			
-Phoenix County	2015	110,000	100%
Chongqing, Jiangbei District	2016 or after	983,000	25%
Chongqing, Nan'an District			
-Verakin New Park City	2016 or after	629,000	51%
Chongqing, Shapingba District			
-Verakin Joyful City	2017 or after	675,000	51%
Chongqing, Bishan County, Ludao New District			
-Bishan Verakin New Park City	2016 or after	700,000	26%
Chongqing, Rongchang County			
-Verakin Riviera	2015	67,000	25%
Sichuan, Dazhou, Tongchuan District			
-Radiant Bay	2015 or after	201,000	100%
Guiyang, Guanshanhu District			
-First City, Guiyang	2015 or after	1,079,000	85%
Guiyang, WuDang District			
-Florentia Town	2017 or after	641,000	85%
Guiyang, Hefei Road			
-Concordia City	2017 or after	1,313,000	85%
Xi'an, Weiyang District			
-Zhongyu Metropol	2016 or after	638,000	100%
TOTAL		7,036,000	

Treasury Investment

The treasury investment segment recorded a profit of HK\$528.4 million (six months ended 30 June 2014: a loss of HK\$18.3 million). The dividends and interests earned from investments totalled HK\$11.8 million (six months ended 30 June 2014: HK\$4.1 million). The realized and unrealized profits on listed securities amounted to HK\$217.7 million and HK\$302.6 million respectively (six months ended 30 June 2014: realized and unrealized loss on listed securities of HK\$8.4 million and HK\$13.9 million respectively).

CORPORATE STRATEGY AND OUTLOOK

China's economic slowdown is expected to continue into the second half of 2015 as consumption growth slows to some extent, and external demand remains weak.

Going into the second half of 2015, the market is expected to take some time to absorb excess capacity. Developers may attempt to cut price to boost sales. Given the economic growth rate has been dropping, the government may continue to loosen its monetary policy to stimulate the economy. Urbanization will continue, and as a result of continued income growth in individuals, these domestic growth drivers will benefit the housing market in the long term.

After disposal of the CQZY and CDGJ Projects, the Group's projects under development will be substantially reduced, thereby reducing the area to be completed in the second half of 2015 and 2016. The target completion areas for the second half of 2015 and year 2016 now become 533,000 sqm and 540,000 sqm respectively, out of which 61% and 48% of the residential areas have been pre-sold respectively as at 31 July 2015. The completion schedule for the second half of 2015 and year 2016 is as follow:

Locations	Projects	Residential Area (sqm)	Commercial/Car park/Other Area (sqm)	Total Area (sqm)	The Group's Interests
Second Half of 2015					
Chongqing	Phoenix County Phases II & III	72,000	38,000	110,000	100%
Dazhou	Radiant Bay Phase I	10,000	-	10,000	100%
Guiyang	First City, Guiyang Phases II to IV	143,000	270,000	413,000	85%
TOTAL		225,000	308,000	533,000	
Year 2016					
Chongqing	Verakin New Park City				
	-Zone S	-	97,000	97,000	51%
	-Zone U	-	103,000	103,000	51%
	Bishan Verakin New Park City				
	-Zone C	72,000	23,000	95,000	26%
Dazhou	Radiant Bay Phase II	36,000	6,000	42,000	100%
Xi'an	Zhongyu Metropol Phases I & II	164,000	39,000	203,000	100%
TOTAL		272,000	268,000	540,000	

As at 30 June 2015, assuming the disposal of the CQZY and the CDGJ Projects were completed as indicated under the heading "Land Bank" above, the Group would have a total of 11 projects under development. Based on the existing development schedule, the Group expects the total area for construction start-up in second half 2015 to be around 1.3 million sqm. Together with the area under construction as at 30 June 2015, the total area under development at the end of 2015 is expected to be over 3.2 million sqm – about 46% of the Group's total land bank of 7.0 million sqm GFA.

The Group will continue to adopt a prudent and cautious investment strategy. In the face of market fluctuations, the Group will strive to improve operational efficiency, increase investment return to achieve the Group's long term targets. The Group will look forward to opportunities to either enter into equity partnerships, including negotiations with potential parties for the disposal of and/or joint investment and/or development with respect to the Group's projects, or participate in other developers' projects.

The Group will maintain its prudent land bank policy in replenishing its land bank conditional upon favourable terms after considerable market adjustment, and the availability of a secure cash flow and the maintenance of a prudent gearing ratio.

FINANCIAL REVIEW

Investments

After excluding the portion related to the CQZY Projects which was disposed in July 2015, the Group held a portfolio of listed and unlisted equity securities with a carrying value of HK\$1,576.6 million (31 December 2014: HK\$1,577.3 million) as at 30 June 2015 which is about 3% of the total assets of the Group. To maintain a prudent investment portfolio, the value of the portfolio is limited to no more than 10% of the total asset of the Group. Owing to the fluctuations in the Hong Kong stock market for the period under review, the Group recorded an unrealized fair value gain of HK\$302.6 million on listed investments (six months ended 30 June 2014: unrealized fair value loss of HK\$13.9 million). The amount of dividends and interest income from investments for the period was HK\$11.8 million (six months ended 30 June 2014: HK\$4.1 million).

Liquidity and Financial Resources

The Group continued to maintain a sound financial position. As at 30 June 2015, the maturity profile of the bank and other borrowings, and the cash and bank balances, after excluding the portion related to the disposal in July 2015 of the CQZY Projects, were as follows:

Currency of Bank and Other Borrowings	RMB HK\$'M	HK\$ HK\$'M	US\$ HK\$'M	Total HK\$'M	Percentage
Bank and other borrowings repayable:					
- Within 1 year or on demand	3,183.1	2,547.1	-	5,730.2	62.2
- In the second year	1,985.6	534.7	-	2,520.3	27.4
- In the third to fifth years, inclusive	292.9	662.7	-	955.6	10.4
Total bank and other borrowings	5,461.6	3,744.5	-	9,206.1	100.0
Less: Cash and bank balances and time deposits	(4,918.4)	(1,411.8)	(38.5)	(6,368.7)	
Net borrowing position	543.2	2,332.7	(38.5)	2,837.4	

Total cash and bank deposits amounted to HK\$6,368.7 million as at 30 June 2015 (31 December 2014: HK\$9,519.0 million), which included HK\$790.8 million (31 December 2014: HK\$1,880.8 million) of deposits pledged to banks and HK\$1,227.9 million (31 December 2014: HK\$1,357.3 million) of restricted bank deposits which can only be applied to designated property development projects of the Group. According to the relevant laws and regulations of the PRC, the Group was required to deposit a portion of the proceeds from the pre-sales of properties into designated bank accounts as guarantees for completion of the development of the respective properties.

Total borrowings amounted to HK\$9,206.1 million (31 December 2014: HK\$12,082.0 million). Secured debts accounted for approximately 70% of total borrowings as at 30 June 2015 (31 December 2014: 71%).

As of 30 June 2015, the Group's net borrowing balance was HK\$2,837.4 million (31 December 2014: HK\$2,563.0 million) and its total equity was HK\$15.4 billion (31 December 2014: HK\$ 14.8 billion). The Group's net gearing ratio was 18.4% as of 30 June 2015 (31 December 2014: 17.3%), calculated by total borrowings less total bank balances and cash divided by owners' equity. The Group expects the completion of the disposal of the CQZY and the CDGJ Projects to have a positive impact to its net gearing ratio.

The cash collection ratio for the property business was 117% (six months ended 30 June 2014: 99%) during the period under review.

The net assets value per share was HK\$5.96 (31 December 2014: HK\$5.72).

Contingent Liabilities/Financial Guarantees

At 30 June 2015, the Group had the following contingent liabilities/financial guarantees:

- a. Guarantees given to banks in connection with facilities granted to an associate in the amount of HK\$526.1 million (31 December 2014: HK\$526.1 million).
- b. Guarantees given to banks in respect of mortgage facilities granted to certain purchasers of the Group's property units in the amount of HK\$7,717.0 million (31 December 2014: HK\$7,072.7 million).

Pledge of Assets

At 30 June 2015, the Group has pledged the following assets:

- | | |
|---|---------------------|
| a. Leasehold properties as security for general banking facilities granted to the Group. | HK\$81.6 million |
| b. Bank balances and time deposits as security for general banking facilities granted to the Group. | HK\$806.1 million |
| c. Properties under development, completed properties held for sales and investment properties pledged to secure banking facilities granted to the Group. | RMB17,681.6 million |
| d. 100% equity holdings of a subsidiary of the Group in the PRC. | RMB174.2 million |

Exchange Risks

The Group's foreign exchange exposure is considered minimal as the Group conducts its property business operations in the PRC. Sales transactions and all major cost items are denominated in RMB. Therefore, the directors expect that any fluctuation of RMB's exchange rate will not have material adverse effect on the operation of the Group.

EVENTS AFTER THE REPORTING PERIOD

1. On 17 July 2015, the disposal of the Group's 92% equity interest in Starthigh was completed.
2. On 24 July 2015, the Group entered into an agreement to dispose of its entire equity interests in Joyview, together with the shareholder's loan at a total consideration of about RMB2,103 million.

EMPLOYEES

As at 30 June 2015, the Group employed approximately a total of 2,088 employees in China and Hong Kong and incurred employee costs in the amount of approximately HK\$179 million for the period under review. The Group remunerates its staff based on their merit, qualification, competence and the prevailing market wage level. In order to attract, retain and motivate its employees, the Group has also established an incentive bonus scheme to reward employees based on their performance. Employees are also eligible to be granted share options under the Company's share option scheme at the discretion of the Board. For the six months ended 30 June 2015 and 30 June 2014, no equity-settled share option expense was charged off to the consolidated statement of profit or loss. Other benefits include contributions to a mandatory provident fund and medical insurance.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2015.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by directors. Specific enquiries have been made on all directors who have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2015.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2015.

REVIEW OF INTERIM RESULTS

The Audit Committee has discussed with the management and independent auditors the accounting policies and practices adopted by the Group, and has reviewed the Group's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the Company's website at www.ccland.com.hk and the HKExnews website at www.hkexnews.hk. The Company's 2015 Interim Report will also be available on both websites and despatched to the shareholders of the Company in due course.

By order of the Board
Lam How Mun Peter
Deputy Chairman and Managing Director

Hong Kong, 27 August 2015

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Leung Chun Cheong and Mr. Leung Wai Fai as Executive Directors; Mr. Wong Yat Fai as Non-executive Director; and Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick as Independent Non-executive Directors.