CCT LAND HOLDINGS LIMITED
（中建置地集團有限公司）

(Incorporated in Bermuda with limited liability)
(Stock Code: 00261)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

CHAIRMAN'S LETTER

On behalf of the Board of the Company, I present the interim results of the Group for the six months ended 30 June 2014.

During the period, the principal business of the Group consisted of its long-standing business in the manufacture and sale of telecom, electronic and child products ("**Telecom Product Business**") and the newly introduced mainland property business, the later of which was assigned into the Group from its holding company, CCT Fortis Holdings Limited ("**CCT Fortis**"), in July 2013. The Group's turnover decreased by 17.2% to $491 million in the first half of 2014, due to reduction in sales of telecom and child products. Net loss for the current period, after offsetting a revaluation gain on the Group's Shenzhen office premises, decreased by 11.1% to $16 million as compared to the equivalent period last year.

As the Group intends to conserve cash resources to finance operations and future development of the Group's business, the Board does not recommend payment of an interim dividend for the six months ended 30 June 2014 (30 June 2013: Nil).

REVIEW OF OPERATIONS

In the first half, the operating environment of the Group's major business sectors worsened, causing turnover to decrease. Despite this, the overall performance is acceptable as outlined in the following paragraphs.

Telecom Product Business

During the reporting period, this business was continued to be engaged by CCT Tech under the Group. In the period, turnover of product sales dropped by 24.1% to $450 million. The decline in revenue was led by slow recovery of our major markets and keen competition in the cordless phone sector. In the first half, CCT Tech faced severe competition from other cordless phone manufacturers which pursued low-price strategy in order to maintain or increase their market share. We do not consider competing on price is advisable or advantageous for CCT Tech as this would only harm us in short term without creating any long term benefit to our manufacturing business. Instead, we continue to improve our competitiveness in the longer term by keep on offering innovative products with improved quality and functions and new designs. Nevertheless, amidst a weak global market and intensifying competition, turnover suffered in the short term which resulted in the significant reduction of product sales in the current period.

In the first half, another difficult problem faced by the management of CCT Tech remained the shortage of labour and the continuing rise in minimum wages in the Guangdong Province. In order to overcome this problem, our factory had to increase wages of workers significantly and a large number of new and temporary workers were hired to fill vacancy during the period. As a result, production costs increased and efficiency suffered. To cope with this problem in the long run, the management has put a lot of efforts in re-engineering the Group's products, striving to reduce labour and costs. Furthermore, the management has continued its initiatives in cost savings in all other areas as much as possible and streamlining production processes to enhance productivity. The effect of such initiatives partly compensated the increase in labour costs. Caused by the decrease in turnover, increase in wages and lower labour efficiency, the operating loss before adjustment rose to $14 million in the current period, compared to the $7 million loss in the comparable period. This result is acceptable giving the worsening business environment.

During the period, the management of CCT Tech decided to move the research and development ("**R&D**") function to CCT Tech's Huiyang factory. The relocation of the Shenzhen R&D center will be completed within this year. Although the relocation will incur certain one-time restructuring costs, this move will save recurrent costs and improve communication between R&D and production departments, thus enhancing efficiency in the long run. Furthermore, as a result of the relocation, the Group's owned office premises in Shenzhen, which housed the R&D center, are no longer needed for own use and therefore most part of the Shenzhen premises has been rented out to third parties to generate rental income. It is expected that the remaining part of the Shenzhen properties will be let out by year end. As such, the office properties have been reclassified as investment properties for accounting purposes and an unrealised fair value gain of $39 million was recognised in the first half, based on a professional revaluation of the properties at the period end. The fair value gain on the Shenzhen properties turned the operating results before finance costs and taxation of the Telecom Product Business into an adjusted operating profit before finance costs and taxation of $25 million in the current period, as opposed to a $7 million operating loss in the equivalent period last year.

Property development in Mainland China

All the property development projects assigned into the Group in July 2013 are located in Anshan City, Liaoning Province, China. Ever since the mainland property business established by the CCT Fortis Group in 2007, CCT has set a strong foothold in property sector in the Anshan City. All the projects developed by CCT have so far been successful and all of CCT's projects have been well praised by home buyers in their supreme quality of materials, landscaping, spacious common areas, layouts and designs.

During the period, CCT Land continued to pursue its project quality and service excellence on one hand and strived to boost sales of flats on the other hand. However, under a policy-led property market, speculation and investment on properties were effectively curbed while reduction in transaction volume and softening of house prices continued. We noticed that the mainland residential market had cooled down considerably since 2014 Chinese New Year. Pressured by high inventory levels and elevated debt ratios, many other local property developers had cut prices in order to boost sales. On the demand side, consumers still expected the market to continue to go down, leading to low buying desire. As we are lowly geared in our property projects, we have a more resilient holding power and therefore we have decided not to follow other local property developers to cut property prices deeply to hurt margin. We are confident in our property projects and the long-term prospects of the mainland property market as we believe that the long-term demand for quality housing in China is higher than supply and the mainland property market will recover in the future. Nevertheless, our property business was inevitably adversely impacted by the recent weakening mainland residential market, leading to decline in turnover in the first half of 2014. A total of only 6,745 square meters in gross floor area ("**GFA**") of property units were sold in the current period, generating revenue of $41 million, compared to $92 million reported under CCT Fortis Group in the equivalent period of 2013. Caused by the significant reduction in property sales, our property business posted an operating loss of $11 million in the first half of 2014. During the period, despite a weaker property market in the mainland, we still commenced development of Evian Villa Phase 2 consisting of 13 blocks of housing units, shops and car parking spaces with a total GFA of approximately 64,000 square meters. We consider that the development of Evian Villa Phase 2 will not only improve the overall living environment of the entire Evian Villa project but will also enhance confidence of potential home buyers. This will in turn enhance our reputation and help to promote sales of our property projects in Anshan.

OUTLOOK

Looking forward, the local and global economic and political uncertainty will remain a challenge in the second half of 2014. However, we expect that the global economy growth will pick up modestly while the US economic recovery will gather pace and the European economy will show some signs of improvement.

Against a backdrop of challenging operating environment, we will continue to re-model the Group with a view to overcome the challenges that we face. We remain positive in our manufacturing business. We will continue to pursue our on-going initiatives to improve competitiveness and our relentless efforts of cost saving. We will continue to enhance quality, functions and designs of our existing phone products and will introduce new product ranges. We will also continue to explore opportunities to broaden our revenue and improve our profitability. The conversion of our Shenzhen R&D center into rental properties is a very good example. This move will not only save recurrent costs in the long run but will also broaden revenue base by rental income. Furthermore, the Group may also benefit from future possible further appreciation in value of the rental properties.

We remain optimistic in the future prospects of our property projects in Anshan over the longer term despite a significant slowdown of the local residential market in the near term. We will strive to boost sales of property units in the second half. However, we do not intend to lower our property prices drastically to erode our margin. We have already restructured and strengthened our marketing team in Anshan. More effective marketing and promotion activities are in the pipeline in the second half. We will explore financing opportunities, planning to increase cash flow of the projects and to further improve the financial position of the Group. We are confident in this business and we expect this business will deliver significant revenue and cash flow to the Group in the future.

APPRECIATION

On behalf of the Board, I wish to thank the directors, the management and all our employees for their dedication, loyalty, and hard work to meet the challenges during the period. I also want to thank our shareholders, investors, bankers, customers and suppliers for their continued encouragement and strong support to the Group.

Mak Shiu Tong, Clement
Chairman

Hong Kong, 25 August 2014

FINANCIAL REVIEW

HIGHLIGHTS ON FINANCIAL RESULTS AND OTHER COMPREHENSIVE LOSS

$ million	Six months ended 30 June **2014** **(Unaudited)**	 2013 (Unaudited)	% increase/ (decrease)
Turnover	**491**	593	(17.2%)
Other income and gains	**50**	9	455.6%
EBITDA	**28**	12	133.3%
Finance costs	**23**	7	228.6%
Loss before tax	**(16)**	(18)	(11.1%)
Income tax expense	**-**	-	-
Loss for the period	**(16)**	(18)	(11.1%)
Other comprehensive loss, net of tax	**(21)**	-	N/A

Discussion on Financial Results and Other Comprehensive Loss

The Group recorded a turnover of $491 million for the six months ended 30 June 2014, representing a net 17.2% decrease over the $593 million for the last corresponding period, mainly due to the reduction of turnover of the Telecom Product Business. The net decrease in current period's turnover had taken into account the new sales contribution from the property development business which was assigned from CCT Fortis in July 2013. Despite decrease in turnover, the Group managed to increase EBITDA in the first half of 2014 to $28 million from $12 million in the equivalent period of 2013. The reported net loss narrowed to $16 million, a decrease of 11.1% from $18 million in the comparable period. The improvement in EBITDA and the net results were driven by the unrealised revaluation gain of $39 million arising on the Shenzhen office properties, the use of which was changed from own use to rental properties during the period. The $39 million revaluation gain was classified as "other income and gains" in the profit or loss which caused this income category to increase by 455.6% to $50 million in the current period.

Finance costs increased 228.6% to $23 million in the first half of the year. The increase was largely due to finance costs of $14 million on the promissory notes due to CCT Fortis and its wholly-owned subsidiary, of which $12 million represented the imputed non-cash interest recognised for accounting purposes on the interest-free promissory note due to a wholly-owned subsidiary of CCT Fortis. This interest-free promissory note was created to satisfy the consideration for the assignment of the mainland property business into the Group by CCT Fortis in 2013.

During the period, a total of 600,000,000 share options were granted by the Company and the equity-settled share options expense of $2 million was recognised in the profit or loss.

Other comprehensive loss of $21 million included in the Consolidated Statement of Comprehensive Income represented unrealised exchange losses on translation of the accounts of the property subsidiaries in Mainland China, which were attributable to devaluation of RMB in the first half of 2014. After the period end, the exchange rate of RMB has rebounded and it is expected such unrealised exchange loss will likely be reversed partly or wholly in the second half.

ANALYSIS BY BUSINESS SEGMENT

	Turnover Six months ended 30 June				
	2014		2013		
$ million	**Amount (Unaudited)**	**Relative %**	Amount (Unaudited)	Relative %	% decrease
Telecom Product Business	**450**	**91.6%**	593	100.0%	(24.1%)
Property development	**41**	**8.4%**	-	-	N/A
Total	**491**	**100.0%**	593	100.0%	(17.2%)

	Operating profit/(loss) Six months ended 30 June		
$ million	**2014 (Unaudited)**	2013 (Unaudited)	% increase/ (decrease)
Telecom Product Business	**25**	(7)	N/A
Property development	**(11)**	-	N/A
Total	**14**	(7)	N/A

The segmental operating results were shown in amounts before finance costs and taxation.

During the reporting period, the Telecom Product Business, being the largest business segment of the Group, reported revenue of only $450 million, down 24.1%, due to slow recovery of the Group's major markets (especially in Europe) and intensifying competition. Despite this, the manufacturing sector was able to post an adjusted operating profit of $25 million in the current period as opposed to an operating loss of $7 million in the comparable period. The positive change was attributable to an unrealised revaluation gain of the Group's rental properties in Shenzhen, which were converted from R&D facilities during the period.

Affected by weaker residential market in Anshan, the newly introduced property development business contributed half-year turnover of $41 million to the Group but incurred an operating loss of $11 million in the first half of 2014.

ANALYSIS BY GEOGRAPHICAL SEGMENT

	Turnover Six months ended 30 June				
	2014		2013		
$ million	**Amount (Unaudited)**	**Relative %**	Amount (Unaudited)	Relative %	% decrease
Europe	**274**	**55.9%**	359	60.6%	(23.7%)
Asian Pacific and others	**149**	**30.3%**	149	25.1%	-
North America	**68**	**13.8%**	85	14.3%	(20.0%)
Total	**491**	**100.0%**	593	100.0%	(17.2%)

European market, representing the Group's largest market, contributed 55.9% of the Group's total turnover. Sales to Europe dropped by 23.7% to only $274 million in the reporting period, caused mainly by weak European economy and intense competition. Turnover from the Asian Pacific and other regions was $149 million, no change from last equivalent period, which represented the net effect of decline in product sales to these regions offsetting by new contribution from property sales in Anshan. Sales to the North American markets dropped to $68 million, down 20.0% period-to-period, mainly caused by reduction of sales of child products, which was led by slow recovery of the US economy.

HIGHLIGHTS ON SIGNIFICANT MOVEMENTS OF FINANCIAL POSITION

$ million	30 June 2014 (Unaudited)	31 December 2013 (Audited)	% increase/ (decrease)
Property, plant and equipment	**197**	261	(24.5%)
Prepaid land lease payments	**41**	76	(46.1%)
Investment properties	**299**	178	68.0%
Inventories	**58**	67	(13.4%)
Properties under development	**145**	141	2.8%
Completed properties held for sale	**759**	818	(7.2%)
Prepayments, deposits and other receivables	**346**	309	12.0%
Current and non-current pledged time deposits	**191**	193	(1.0%)
Cash and cash equivalents	**228**	346	(34.1%)
Current and non-current interest-bearing bank borrowings	**502**	602	(16.6%)
Deferred tax liabilities	**101**	103	(1.9%)
Promissory notes	**1,022**	960	6.5%
Equity attributable to owners of the parent	**440**	471	(6.6%)

Discussion on Financial Position

As at 30 June 2014, the balance of the property, plant and equipment decreased by 24.5% to approximately $197 million, while the balance of prepaid land lease payments decreased by 46.1% to $41 million. The significant changes of these two account balances were mainly attributable to the reclassification of the balance of the Shenzhen office premises to the investment properties account due to change of their use from own use to rental properties, and depreciation charge for the period.

Increase of investment properties from $178 million as at 31 December 2013 to $299 million as at 30 June 2014 was the combined result of the above-mentioned reclassification of the Shenzhen premises and the unrealised fair value gain on the Shenzhen properties, based on a professional revaluation at period end.

Inventory decreased by 13.4% period-to-period, led by decrease in sales of the telecom and child products. The inventory turnover period of the Group further improved and maintained at a healthy level of only 25.9 days (31 December 2013: 27.8 days).

Balance of the properties under development was $145 million at the period end, representing the construction and development expenditure of the incomplete property projects in Anshan.

As at 30 June 2014, completed properties held for sale amounted to $759 million, representing the costs of the completed property units in Anshan, down from $818 million at last balance sheet date. The decrease was primarily attributable to carrying costs of properties sold, which were charged to profit or loss during the period.

Prepayments, deposits and other receivables amounted to $346 million as at 30 June 2014, included carrying value of prepayment of $278 million related to a contracted acquisition of the land use right of a piece of land site in Anshan.

Current and non-current pledged time deposits slightly decreased from $193 million at 31 December 2013 to $191 million as at 30 June 2014, attributable to depreciation of RMB during the period. Included in the pledged deposits were $106 million (equivalent to RMB85 million) deposits denominated in RMB. These RMB deposits have been pledged to a banker to secure equivalent amounts of Hong Kong dollar loans. Such arrangements were made for hedging RMB appreciation risk, as the Group can benefit from exchange appreciation of the RMB deposits and at the same time, the Group can continue to use the funds borrowed in Hong Kong dollar for business purpose.

Reported cash and cash equivalents dropped by 34.1% to $228 million. This net decrease represented net cash used for operations and net repayment of bank loans in the first half of 2014.

The aggregate amount of the current and non-current bank borrowings amounted to $502 million as at the end of the current period, a decrease of 16.6% compared to $602 million as at the end of last year, due primarily to part repayment of bank loans during the period.

As at 30 June 2014, deferred tax liabilities was $101 million, of which $96 million related to the deferred tax liability estimated on the fair value adjustments of the Anshan property projects, at the time the projects were assigned into the Group from CCT Fortis, in July 2013. The deferred tax liabilities will be credited to the profit or loss account in the future as when the related property units are sold and the related actual current tax liability is charged to profit or loss.

Promissory notes amounted to $1,022 million as at 30 June 2014, which were payable by the Company to CCT Fortis and its wholly-owned subsidiary, of which $848 million promissory note represented fair value of the interest-free promissory note issued to satisfy deferred payment of the consideration for assignment of the mainland property development business from CCT Fortis into the Group. The remaining promissory notes carry interest at 3% per annum and represented consideration to acquire the child product business and loans borrowed from CCT Fortis. Most of the promissory notes are mature on the date falling on the third anniversary of their respective date of issue.

Equity attributable to owners of the parent declined 6.6% from $471 million as at 31 December 2013 to $440 million as at 30 June 2014 due to the loss attributable to the owners of the parent in the period.

CAPITAL STRUCTURE AND GEARING RATIO

$ million	**30 June 2014** Amount (Unaudited)	Relative %	31 December 2013 Amount (Audited)	Relative %
Bank borrowings	**502**	**53.3%**	602	56.1%
Total borrowings	**502**	**53.3%**	602	56.1%
Equity	**440**	**46.7%**	471	43.9%
Total capital employed	**942**	**100.0%**	1,073	100.0%

The Group's gearing ratio slightly decreased to 53.3% as at 30 June 2014 (31 December 2013: 56.1%) as a result of net decrease of bank borrowings during the period.

The Group's outstanding bank borrowings amounted to $502 million as at 30 June 2014 (31 December 2013: $602 million). As at 30 June 2014, the maturity profile of the Group's bank borrowings falling due within one year and in the second to the fifth years amounted to $429 million and $73 million respectively (31 December 2013: $507 million and $95 million respectively).

Out of the Group's bank borrowings, a total of $402 million (31 December 2013: $502 million) in bank loans were borrowed to finance the ordinary business of the Group and the balance of $100 million (31 December 2013: $100 million) were Hong Kong dollar loans fully secured by RMB deposits for hedging against RMB appreciation exposure. There was no material effect of seasonality on the Group's borrowing requirements.

LIQUIDITY AND FINANCIAL RESOURCES

$ million	**30 June 2014 (Unaudited)**	31 December 2013 (Audited)
Current assets	**1,953**	2,104
Current liabilities	**890**	1,026
Current ratio	**219.4%**	205.1%

Current ratio as at 30 June 2014 maintained at 219.4% (31 December 2013: 205.1%). Among the total cash balance of $419 million, deposits of $191 million (31 December 2013: $193 million) were pledged for general banking facilities and for arrangement of hedging RMB appreciation.

In view of the Group's current cash position and the unutilised banking facilities available, the Group continued to maintain a sound financial position and has sufficient resources to finance its operations and its future expansion plan.

CAPITAL COMMITMENTS

As at 30 June 2014, capital commitment of the Group amounted to $2 million (31 December 2013: $2 million). The capital commitment will be funded partly by internal resources and partly by bank borrowings.

TREASURY MANAGEMENT

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

During the period under review, the Group's receipts were mainly denominated in US dollar and RMB. Payments were mainly made in Hong Kong dollar, US dollar and RMB. Cash was generally placed in short-term deposits denominated in Hong Kong dollar, US dollar and RMB. As at 30 June 2014, the Group's borrowings were mainly denominated in Hong Kong dollar, US dollar and RMB and interest on the borrowing was principally determined on a floating rate basis.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. The Group does not have any significant interest rate risk at present as interest rates currently remain at low level. As for foreign exchange exposures, the Group is principally exposed to two major currencies, namely US dollar and RMB in terms of receipts and the RMB in terms of costs (including workers' wages and overhead and costs of the Anshan projects) in Mainland China. As for the US dollar exposure, since the Hong Kong dollar remains pegged to the US dollar, the exchange fluctuation is not expected to be significant. In addition, as a large portion of the Group's purchases are also made in US dollar, which are to be paid out of our sales receipts in US dollar, the management considers that the foreign exchange exposure risk for the US dollar is limited.

As for RMB exposure, since factory wages and overhead of our Guangdong factory and costs of our Anshan projects are paid in RMB, we expose to RMB exchange risk as the Hong Kong dollar equivalent of our RMB-denominated costs will increase if exchange rate of RMB rises. The exchange risk of the project costs in Anshan will be naturally offset by RMB receipts from sale of property units in Anshan, which therefore will not give rise to any significant risk to RMB appreciation. As for our factory costs and overhead payable in RMB, since we do not have any RMB receipt from the manufacturing business, we would expose to exchange risk if RMB appreciate further against Hong Kong dollar in the future. Despite certain devaluation of RMB in the first half of 2014 reversing several years of consistent appreciation, given the long-term optimistic outlook of growth of China's economy, the long-term trend of RMB still looks promising. In order to hedge against RMB appreciation risk, we have converted some of our surplus funds from Hong Kong dollars to RMB in the past few years. These accumulated RMB funds have been placed on deposits and pledged to a banker to secure equivalent amount of Hong Kong dollar loans, which have been borrowed to finance working capital of the Group. We consider such arrangement to be an effective way to hedge a part of our exposure against RMB appreciation, without any need to tie up our working capital fund.

ACQUISITIONS AND DISPOSALS OF MATERIAL SUBSIDIARIES AND ASSOCIATES

The Group did not acquire or dispose of any material subsidiaries and associates during the period under review.

SIGNIFICANT INVESTMENT

Except as disclosed in the review of operations section, the Group did not purchase, sell or hold any significant investment during the period ended 30 June 2014 and as at the balance sheet date.

PLEDGE OF ASSETS

As at 30 June 2014, certain assets of the Group with a net book value of $779 million (31 December 2013: $968 million), net assets of a subsidiary having a book value of $296 million (31 December 2013: $309 million) and time deposits of $191 million (31 December 2013: $193 million) were pledged to secure general banking facilities granted to the Group to finance operations and to secure arrangements for hedging RMB exposure.

CONTINGENT LIABILITIES

As at 30 June 2014, the Group did not have any significant contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group as at 30 June 2014 was 3,365 (31 December 2013: 3,343). The Group's remuneration policy is built on the principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. At 30 June 2014, there were outstanding share options of approximately 600,000,000 (31 December 2013: Nil).

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of the Company during the period for the six months ended 30 June 2014.

CORPORATE GOVERNANCE

The Company has always recognised the importance of the shareholders' transparency and accountability. It is the belief of the board of directors (the "**Board**") that the shareholders of the Company (the "**Shareholders**") can maximise their benefits from good corporate governance. The Company is committed to maintaining and ensuring high standards of corporate governance in the interests of the Shareholders.

In the opinion of the directors of the Company (the "**Director(s)**"), the Company has complied with the Code Provisions under the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (the "**CG Cod**e") throughout the period from 1 January 2014 to 30 June 2014, except for the following deviations from the Code Provisions of the CG Code:-

(1) A.2.1: the roles of chairman and chief executive should be separate;

(2) A.4.2: all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director should be subject to retirement by rotation at least once every three years; and

(3) A.6.7: independent non-executive directors (the "**INED(s)**") should attend general meetings.

Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company have been disclosed in the corporate governance report contained in the 2013 Annual Report of the Company issued in April 2014 and will be disclosed in the 2014 Interim Report of the Company, which will be despatched to the Shareholders on or before 30 September 2014.

Model Code for Securities Transactions by the Directors of the Company

The Company has adopted its code of conduct regarding the securities transactions by the Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they confirmed that they have complied with the required standard set out in the Model Code adopted by the Company throughout the six months ended 30 June 2014.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2014.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2014 INTERIM REPORT

This interim results announcement is published on the websites of the Company at www.cctland.com/eng/investor/statutory.php and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at www.hkexnews.hk. The 2014 Interim Report of the Company will be despatched to the Shareholders in the manner as required by the Listing Rules and made available on the websites of the Company and the Stock Exchange in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the executive Directors are Mr. Mak Shiu Tong, Clement, Ms. Cheng Yuk Ching, Flora, Mr. Tam Ngai Hung, Terry and Dr. William Donald Putt and the INEDs are Mr. Chow Siu Ngor, Mr. Lau Ho Kit, Ivan and Mr. Chen Li.

By Order of the Board
Mak Shiu Tong, Clement
Chairman

Hong Kong, 25 August 2014

INTERIM RESULTS

The Board of the Company announces the unaudited consolidated results of the Group for the six months ended 30 June 2014 together with the comparative figures for the corresponding period in 2013 as follows:

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2014

		Six months ended 30 June	
		2014	2013
HK$ million	*Notes*	**(Unaudited)**	(Unaudited)
REVENUE	*4*	**491**	593
Cost of sales		**(474)**	(563)
Gross profit		**17**	30
Other income and gains		**50**	9
Selling and distribution expenses		**(14)**	(13)
Administrative expenses		**(45)**	(31)
Other expenses		**(1)**	(6)
Finance costs	*5*	**(23)**	(7)
LOSS BEFORE TAX	*6*	**(16)**	(18)
Income tax expense	*7*	**-**	-
LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT		**(16)**	(18)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic		**(HK0.02 cent)**	(HK0.03 cent)
Diluted		**(HK0.02 cent)**	(HK0.03 cent)

Details of the dividends payable and proposed for the period are disclosed in note 8 to the financial statements.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2014

	Six months ended 30 June	
HK$ million	**2014 (Unaudited)**	2013 (Unaudited)
LOSS FOR THE PERIOD	**(16)**	(18)
Other comprehensive loss to be reclassified to profit or loss in subsequent period, net of tax :		
Exchange differences on translation of foreign operations	**(21)**	-
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT	**(37)**	(18)

Condensed Consolidated Statement of Financial Position

30 June 2014

HK$ million	*Notes*	**30 June 2014 (Unaudited)**	31 December 2013 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**197**	261
Investment properties		**299**	178
Prepaid land lease payments		**41**	76
Goodwill		**22**	22
Pledged time deposits		**14**	14
Total non-current assets		**573**	551
Current assets			
Inventories		**58**	67
Properties under development		**145**	141
Completed properties held for sale		**759**	818
Trade receivables	*11*	**240**	244
Prepayments, deposits and other receivables		**346**	309
Pledged time deposits		**177**	179
Cash and cash equivalents		**228**	346
Total current assets		**1,953**	2,104
Total assets		**2,526**	2,655
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Issued capital		**654**	654
Reserves		**(214)**	(183)
Total equity		**440**	471
Non-current liabilities			
Interest-bearing bank borrowings		**73**	95
Deferred tax liabilities		**101**	103
Promissory notes		**1,022**	960
Total non-current liabilities		**1,196**	1,158
Current liabilities			
Trade and bills payables	*12*	**361**	401
Tax payable		**8**	8
Other payables and accruals		**92**	110
Interest-bearing bank borrowings		**429**	507
Total current liabilities		**890**	1,026
Total liabilities		**2,086**	2,184
Total equity and liabilities		**2,526**	2,655
Net current assets		**1,063**	1,078
Total assets less current liabilities		**1,636**	1,629

Notes to Condensed Consolidated Financial Statements

1. BASIS OF PREPARATION

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

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 31 December 2013 (the "**2013 Annual Report**").

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's 2013 Annual Report.

The following new and revised HKFRSs have been adopted by the Company with effect from 1 January 2014. The adoption of the new and revised HKFRSs does not have any significant financial effect on the interim financial statements.

HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – *Investment Entities*
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
HKAS 39 Amendments	Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
HK(IFRIC)-Int 21	*Levies*

3. OPERATING SEGMENT INFORMATION

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

(a) the telecom, electronic and child products segment which is the manufacture and sale of telecom, electronic and child products; and

(b) the property development segment which is engaged in the development and sale of properties in Mainland China.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that equity-settled share option expense as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude corporate and other unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities, tax payable and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

HK$ million	Telecom, electronic and child products Six months ended 30 June 2014 (Unaudited)	2013 (Unaudited)	Property development Six months ended 30 June 2014 (Unaudited)	2013 (Unaudited)	Reconciliations Six months ended 30 June 2014 (Unaudited)	2013 (Unaudited)	Group total Six months ended 30 June 2014 (Unaudited)	2013 (Unaudited)
Segment revenue:								
Sales to external customers	**450**	593	**41**	-	**-**	-	**491**	593
Other revenue	**10**	9	**1**	**-**	**-**	**-**	**11**	9
	460	602	**42**	-	**-**	-	**502**	602
Operating profit/(loss)	**25** *	(7)	**(11)**	-	**-**	-	**14**	(7)
Finance costs	**(8)**	(7)	**(14)** #	-	**(1)**	-	**(23)**	(7)
Reconciled items:								
Equity-settled share option expense	**-**	-	**-**	-	**(2)**	-	**(2)**	-
Corporate and other unallocated expenses	**-**	-	**-**	-	**(5)**	(4)	**(5)**	(4)
Profit/(loss) before tax	**17**	(14)	**(25)**	-	**(8)**	(4)	**(16)**	(18)
Income tax expense					**-**	-	**-**	-
Loss for the period					**(8)**	(4)	**(16)**	(18)
Other segment information:								
Interest income	**2**	2	**-**	-	**-**	-	**2**	2
Expenditure for non-current assets	**3**	-	**-**	-	**-**	-	**3**	-
Depreciation and amortisation	**(21)**	(23)	**-**	-	**-**	-	**(21)**	(23)
Other material non-cash items:								
Impairment of trade receivables	**-**	(1)	**-**	-	-	-	**-**	(1)
Equity-settled share option expense	**-**	-	-	-	**(2)**	-	**(2)**	-
Fair value gain on investment properties	**39**	-	-	-	-	-	**39**	-

* Taking into account unrealized revaluation gain on the Shenzhen office properties.

\# Included an interest of non-cash discounted imputed amount of HK$12 million on the interest-free promissory note arising from passage of time.

HK$ million	Telecom, electronic and child products 30 June 2014 (Unaudited)	31 December 2013 (Audited)	Property development 30 June 2014 (Unaudited)	31 December 2013 (Audited)	Reconciliations 30 June 2014 (Unaudited)	31 December 2013 (Audited)	Group total 30 June 2014 (Unaudited)	31 December 2013 (Audited)
Segment assets	**1,276**	1,303	**1,249**	1,350	**-**	-	**2,525**	2,653
Reconciled items:								
Corporate and other unallocated assets	**-**	-	**-**	-	**1**	2	**1**	2
Total assets	**1,276**	1,303	**1,249**	1,350	**1**	2	**2,526**	2,655
Segment liabilities	**869**	908	**1,001**	1,108	**107**	57	**1,977**	2,073
Reconciled items:								
Corporate and other unallocated liabilities	**-**	-	**-**	-	**109**	111	**109**	111
Total liabilities	**869**	908	**1,001**	1,108	**216**	168	**2,086**	2,184

Geographical information

(a) Revenue from external customers

HK$ million	Six months ended 30 June 2014 (Unaudited)	2013 (Unaudited)
Europe	**274**	359
Asian Pacific and others	**149**	149
North America	**68**	85
	491	593

The revenue information above is based on the final locations where the Group's products were sold to customers.

(b) Non-current assets

HK$ million	30 June 2014 (Unaudited)	31 December 2013 (Audited)
Hong Kong	**27**	29
Mainland China	**532**	508
	559	537

The non-current assets information is based on the locations of the assets and excludes financial instruments.

Information about major customers

For the six months ended 30 June 2014, revenue from each of the two major customers of the telecom, electronic and child products was HK$147 million and HK$57 million respectively, representing 30% and 12% of the Group's total revenue, respectively.

For the six months ended 30 June 2013, revenue from each of the two major customers of the telecom, electronic and child products was HK$198 million and HK$82 million respectively, representing 33% and 14% of the Group's total revenue, respectively.

4. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts and interest income, and gross proceeds (net of business tax) from the sale of properties during the period.

An analysis of revenue is as follows:

	Six months ended 30 June	
	2014	2013
HK$ million	**(Unaudited)**	(Unaudited)
Manufacture and sale of telecom, electronic and child products	**448**	591
Sale of properties	**41**	-
Bank interest income	**2**	2
	491	593

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2014	2013
HK$ million	**(Unaudited)**	(Unaudited)
Interest on bank loans wholly repayable within five years	**9**	6
Interest on promissory notes	**2**	1
Total interest expense on financial liabilities not at fair value through profit or loss	**11**	7
Imputed interest on promissory note arising from passage of time	**12**	-
	23	7

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

HK$ million	**Six months ended 30 June 2014 (Unaudited)**	2013 (Unaudited)
Cost of inventories sold	**436**	563
Cost of properties sold	**38**	-
Depreciation	**20**	22
Amortisation of prepaid land lease payments	**1**	1

7. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided for the six months ended 30 June 2014 and 2013 as the Group did not have any profit chargeable to Hong Kong profits tax for those periods. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

HK$ million	**Six months ended 30 June 2014 (Unaudited)**	2013 (Unaudited)
Current – Mainland China		
Underprovision in prior years	**1**	-
Mainland China land appreciation tax	**1**	-
Deferred tax	**(2)**	-
Total tax charge for the period	**-**	-

8. DIVIDENDS

The Board does not recommend payment of an interim dividend for the six months ended 30 June 2014 (30 June 2013: Nil).

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

The calculation of the basic and diluted loss per share amounts for the period is based on the loss for the period attributable to ordinary equity holders of the parent of HK$16 million (30 June 2013: HK$18 million), and the weighted average number of 65,413,993,990 (30 June 2013: 65,413,993,990) ordinary shares in issue during the period.

No adjustment has been made to the basic loss per share amount presented for the period ended 30 June 2014 in respect of a dilution as the impact of the outstanding share options had an anti-dilutive effect on the basic loss per share amounts presented.

No adjustment has been made to the basic loss per share presented for the period ended 30 June 2013 in respect of a dilution as the Group did not have any potential diluted ordinary shares during the period.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired fixed assets of approximately HK$3 million (six months ended 30 June 2013: Nil).

11. TRADE RECEIVABLES

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

	30 June 2014 (Unaudited)		31 December 2013 (Audited)	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**68**	**28**	77	32
31 to 60 days	**67**	**28**	70	29
61 to 90 days	**53**	**22**	50	20
Over 90 days	**52**	**22**	47	19
	240	**100**	244	100

The Group allows an average credit period of 30 to 90 days to its trade customers.

12. 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 2014 (Unaudited)		31 December 2013 (Audited)	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**59**	**16**	120	30
31 to 60 days	**66**	**18**	78	19
61 to 90 days	**53**	**15**	43	11
Over 90 days	**183**	**51**	160	40
	361	**100**	401	100

13. COMPARATIVE FIGURES

Certain comparative figures have been re-classified to conform with the current period's presentation.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication and will be published and remains on the website of the Company at www.cctland.com/eng/investor/statutory.php.