

NWD

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- K11 Demonstrated Huge Potential with Strong Sales Growth YTD

NWS

- NWS Reported 46% Increase in AOP for FY2021 Interim Results
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NWD Reported 10% Increase in Consolidated Revenues for FY2021 Interim Results Amidst Challenging Times

NWD reported consolidated revenues of HK\$35,577 mn for FY2021 interim results, up 10% YoY and maintained stable profit attributable to shareholders. Thanks to the continuous stringent cost control efforts, the recurring administrative and other operating expenses decreased by 12% YoY.

In the 1HFY2021, bolstered by the oversubscription of Phase I and Phase II of THE PAVILIA FARM, contracted sales in Hong Kong amounted to HK\$26.3 bn, exceeding its FY2021 Hong Kong contracted sales full year target of HK\$20 bn. The Group's overall contracted sales in Mainland China amounted to about RMB11.2 bn, with 76% from GBA.

From 1 July 2020 to the end of February 2021, the Group recorded total proceeds of HK\$12.8 bn from the disposal of non-core assets as the Group has continued to optimise its asset portfolio and returns. Net gearing ratio declined to 40.4% from 41.6%, and overall financing cost decreased to 2.93% from 4.05%. The Group declared an interim dividend of HK\$0.56 per share, which remained stable as 1HFY2020.

K11 Demonstrated Huge Potential with Strong Sales Growth YTD

K11's unique cultural-retail model continued to demonstrate enormous business potential with strong growth in the first two months of 2021.

Hong Kong K11 retail sales increased by 41% YoY, while K11 in mainland China achieved an extraordinary sales growth of 149%, attributable to sales surge in the luxury and food and beverage sectors. We continued to grab market shares.

This year is the first Chinese New Year under the New Normal, K11 destinations in mainland China have prepared diverse cultural and festive offerings, and all sites have recorded sales growth of over 100% during the first two months of 2021. At Shanghai K11, sales growth struck a remarkable 126% with immersive light showcase Globoscope. Opened its doors in December 2020, Wuhan K11 Art Mall celebrated the festive seasons with a 10-meter-high red heart-shaped balloon installation, whereas Wuhan K11 Select saw a growth of 102% in sales.

Sales of Shenyang K11 increased by 109% with the provision of Chinese New Year and Valentine's Day offers, while Guangzhou K11 recorded a 102% surge with the launch of different exhibitions, the most notable being Neil Beloufa's solo exhibition "Long Time No See".

In Hong Kong, K11 MUSEA recorded a 54% increase in sales, and presented diverse customer experience such as C'est Mon Cœur, the French Red Heart floating art showcase at the Opera Theatre, for the Valentine's Day.

The five K11 destinations in mainland China also saw a 30% HoH increase in KLUB members, Hong Kong K11 with 40% HoH. Member sales increased by 91% and 110% respectively.



Stock Performance
(Stock Code: 17.HK)

Closing Price:
(11 March 2021)
HK\$40.40

52-week Range:
HK\$29.84–HK\$42.50

Market Cap:
HK\$102.57B

Issued Capital:
(Share)
2,539M

Average Daily
Trading Volume :
(Share)
6.97M

Contact Us

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**we create
we are artisans
we are csv.**

Notes:
(1) New World Development Company Limited (17.HK): NWD
(2) NWS Holding Limited (659.HK): NWS
(3) Guangdong-Hong Kong-Macao Greater Bay Area: GBA

NWS

NWS Reported 46% Increase in AOP for FY2021 Interim Results

NWS's FY2021 interim results have demonstrated the Group's resilience and solid fundamentals during the uncertain times, with the Group's AOP rising 46% year-on-year to HK\$3,336.3 mn, where AOP from Core Business and Strategic Portfolio increased by 13% and 319% to HK\$2,322.2 mn and HK\$1,014.1 mn, respectively. In 1H FY2021, the Group has continued to dispose of its non-core assets to unlock value for shareholders with a total consideration of c.HK\$3.6 bn. Financial position remained strong with net gearing ratio lowered to 26%. The Group has committed to its sustainable and progressive dividend policy and announced an interim dividend of HK\$0.29 per share, same as 1H FY2020.

The disposal of SUEZ NWS and Derun Environment for a total consideration of c.HK\$6.5 bn in Jan 2021 has further strengthened the Group's balance sheet, allowing it to recycle its capital to take advantage of new opportunities in today's rapidly changing economic environment and in sectors such as roads and logistics with attractive growth potential.

NWS Announced Its First Sustainability-linked Loan of HK\$1 Bn in 2021

NWS has issued its first sustainability financing instrument in the year of Ox with Bank of America N.A. by converting an existing facility of HK\$1 bn into a sustainability-linked loan. Interest rate incentives will be granted based on improvements on the Group's annual as well as the cumulative sustainability performance. The sustainability targets of improvement including greenhouse gas emissions reduction and the performance of the Labour Practices criteria in accordance with the Hang Seng Corporate Sustainability Index.

Environmental, Social and Governance (ESG)

NWD Published First-Ever Interim ESG Update

To provide more timely ESG disclosure to investors and stakeholders, New World Group has published an inaugural [Interim ESG Update](#) on our website. The publication detailed the Group's key milestones, including our landmark sustainable finance transactions, leading rankings on global ESG ratings, progress updates under New World Sustainability Vision 2030 (SV2030) and developments in board governance. Going forward, New World Group will continue with regular ESG disclosure for transparency.



NWD Committed to Setting Science-Based Targets for Climate Action



NWD has committed to the [Business Ambition for 1.5°C](#) and [Science Based Targets](#) (SBT), a global call to action from the United Nations and business leaders to help limit global warming to 1.5°C under the Paris Climate Agreement. NWD is one of 14 real estate companies globally, and the third in Asia, to have pledged to this to provide a clearly-defined path to reduce emissions. The commitment covered the company's major properties and construction activities in Hong Kong and mainland China. It steered the company to further decarbonise business operations, adopted more renewable energy and additionally set targets in 2023 to reduce both direct and indirect emissions by 2030.

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