

### Business Update

- Old City Redevelopment Projects Keep Accelerating Progress
- Expect to Complete Restoration of Cao Xueqin's Former Residence in Beijing in September
- "HK K11 x Shop Express" WeChat Mini Program Debuted
- Wuhan K11 Select "Infinite K-Wave Carnival" Grandly Opened

### ESG

- "Made-in-HK" Masks for Kids Are Now Available
- 13 Existing Buildings to be Assessed under HK BEAM Plus Green Certificate Standard
- K11 MUSEA's Innovative Actions to Create Shared Value

### Investor Relations

- BofA Securities: Upgrade to Buy, Target Price Increase to HK\$45
- Achieved Quam IR Award for 3 Consecutive Years

## Stock Performance (Stock Code: 17.HK)

Closing Price:  
(6 August 2020)  
HK\$ 39

52-week Range:  
HK\$ 29.84-47.12

Market Cap:  
HK\$ 99.4B

Issued Capital:  
(Share)  
2,549M

Average Daily  
Trading Volume :  
(Share)  
380M

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we create  
we are artisans  
we are csv.

## Business Update

### **Old City Redevelopment Projects Keep Accelerating Progress**

The Group continues to consolidate its leading position in the GBA and old city redevelopment. NWCL announced on July 19 that it has become a cooperative enterprise for the redevelopment project of Dawanggang Community in Tagang Village, Zengcheng District, Guangzhou. The site area of the project is about 5 hectares and the total GFA is about 65,000 sq.m. The project is adjacent to the interchange subway station and has easy access to Guangzhou Baiyun Airport and other important transportation hubs connecting to the GBA, securing a prime location advantage. This is the Company's 6<sup>th</sup> redevelopment projects in GBA, and also the first redevelopment project in Guangzhou to obtain the official cooperative enterprise status. NWCL will continue to accelerate urban renewal work by executing the implementation plan, demolition compensation and other related work promptly and comprehensively.

### **Expect to Complete Restoration Project of Cao Xueqin's Former Residence in Beijing in September**

The Group attaches great importance to the cultural inheritance. NWCL undertook the restoration work in 1997 and officially launched the restoration project of Cao Xueqin's former residence in January 2019. The restoration project is located in the core area of Beijing. With a site area of approximately 800 sq.m., NWCL will restore it to a traditional three-hall courtyard house. All building units feature traditional single-story wooden structure with a total GFA of approximately 440 sq. m.. NWCL reproduces the original appearance of Cao's former residence and preserves precious traditional cultural heritages, realising the Group's pursuit of cultural conservation and promoting the sustainable development of historical culture in the new era.

### **"HK K11 x Shop Express" WeChat Mini Program Debuted to Offer One-Stop Shopping Experience Across Mainland China and Hong Kong**

NWCL joins hands with K11 MUSEA, the most iconic art, culture and retail landmark in Hong Kong, to provide mainland consumers with a seamless one-stop shopping experience of Hong Kong merchandise. "HK K11 x Shop Express" offers "WeChat Pay" option to realise "hassle-free" payment. In terms of logistics, "China Post Cross-Border eCommerce" services enable the consumers to skip the cumbersome in-person filings for customs declaration, receive the goods at the fastest speed and enjoy a new cross-border online shopping experience at home.

### **Wuhan K11 Select "Infinite K-Wave Carnival" Grandly Opened**

On 17 July, the "Youth Market and Infinite K-Wave Carnival for Youth of Optics Valley" co-organised by Wuhan K11 Select and affiliates of Wuhan Municipal Government was grandly opened. The carnival featured a rich variety of delicacies, cultural and creative products, fashion show, etc. Wuhan's economy has rebounded since the second quarter, with recently announced GDP in 1H 2020 recovered to 80% of last year's level. As China is vigorously developing "street vendor economy", K11 will continue to engage in cross-border collaboration with brands to achieve innovative breakthroughs in the combination of commerce and fashion. 200+ booths got the whole city astir, drawing over 10,000 visitors in the first 3 days.

#### Notes:

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

## Environmental, Social and Governance (ESG)

### **NWD “Made-in-HK” Masks for Kids Are Now Available First Batch of 300,000 Kids Masks Donated to the Community**

Adrian Cheng, Executive Vice-chairman and Chief Executive Officer of NWD announced the donation of the latest 300,000 NWD-produced “Made-in-HK” masks for children in low-income families through a range of non-profit organisations (NGOs), saving anxious families from having to make yet another desperate search for masks. The Group will remain at the forefront of creating shared value (CSV) with stakeholders as we contribute to Hong Kong’s efforts to overcome the mounting challenges of this emergency. Adding together the “Mask To Go” dispenser programme launched previously, and other donation channels, the Group has partnered with about 60 NGOs and distributed approximately 5 million New World-made masks for adults and children to support the community in combating the coronavirus pandemic.

### **13 Existing Buildings to be Assessed under the HK BEAM Plus Green Certification Standard**

Under "New World Sustainability Vision 2030", the Group is committed to reducing its carbon and energy intensity by 50% respectively, before 2030 based on 2015 levels. In addition to setting targets for green and healthy building certifications on new property development projects, the Group actively benchmarks operational practices of existing buildings. Under the Hong Kong BEAM Plus Existing Building v2.0 Selective Scheme, 13 NWD buildings will be evaluated and certified for their environmental management practices to drive sustainable operations across the Group's property portfolio.

### **K11 MUSEA’s Innovative Actions to Create Shared Value**

Superstar Eason Chan held an online charity concert in front of K11 MUSEA on 11 July, to support musicians, dancers and backstage crew. K11 MUSEA is honored to be the venue sponsor and the online concert has drawn over a million views. K11 MUSEA continues to inspire and create shared value in the community with the first #ShareToInspireBid online charity art barter bidding of Mickey artworks designed by 10 global talent from 26 July -7 August.

## Investor Relations

### **BofA Securities Issued Research Report: Upgrade to Buy, Target Price Increase to HK\$45**

On 30 July, BofA Securities issued a research report to upgrade NWD to Buy and increase target price to HK\$45. According to the report, the Group’s upcoming Tai Wai Station launch, non-core assets disposals and NWS’s commitment to a stable dividend should mitigate pressure on cash flow and help NWD maintain stable dividends. The current dividend yield of 5.6% looks attractive. For the Mainland business, contracted sales is better than expected at HK\$17bn+ in FY2020. NWD’s PRC portfolio will drive growth. 50% of NWD’s core landbank in Mainland China is located in GBA, and investment properties in Mainland China will expand GFA under K11 brand. These will enable NWD to achieve above-average growth vs. peers.

### **NWD Achieved Quam IR Award for 3 Consecutive Years**

NWD achieved Quam IR Award —Hong Kong Index Category for 3 consecutive years, honoring the Group’s outstanding excellence in investor relations. As in previous years, award winners were selected based on judging criteria including corporate transparency, investor relations performance and interactions with shareholders.

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