

K11

- NWD Unveils Wuhan K11 Art Mall, Steering A Consumption Recovery with Cultural Retail
- K11 2H2020 Sales Surged 45% YoY, Outperformed China & HK Retail Market

NWCL

- The Redevelopment Project of Liwan Flower Market
- NWCL Obtained the First Education Purpose Land in Mainland China
- Launch of The New Canton Mansions, 30% ASP Premium with 95% units Sold on First Day

ESG

- NWD Recognized for Exceptional ESG Performance & Climate Risk Management
- NWS Received the "Best Corporate Governance Award 2020– Gold Award"

Business Update

NWD Unveils Wuhan K11 Art Mall, Steering A Consumption Recovery with Cultural Retail

On 12 December 2020, the highly-anticipated Wuhan K11 Art Mall II and AVENUE 11, were officially opened and attracted over 110,000 visitors including 700 Gold Card Members in the first two days during the grand opening. The Mall has introduced more than 30 new brands to the city. Located in Wuhan's core area of inner ring road, K11 occupies a total GFA of 247,000 sqm, including 86,000 sqm for K11 Art Mall, 56,000 sqm for office building K11 ATELIER and K11's first outdoor Boulevard AVENUE 11. The second phase of the project will be opened in Q2 2021. Wuhan K11 Art Mall II and K11 Select in Guanggu highlighted our Segmentation Strategy. K11 Art Mall targets high-end, luxury and exquisite shopping experience while K11 Select targets the young and more causal shoppers. NWD continues to refine its business footprint in Wuhan and in Mainland China. Currently, we have 14 K11 projects and plan to expand into ten cities with a total of 38 K11 projects in FY2025.



K11 2H2020 Sales Surged 45% YoY, Outperformed China & HK Retail Market

For 2H2020, K11 Group recorded a YoY sales growth of 45%, outperformed China and HK retail market. K11 HK recorded a stunning YoY sales growth of 56%. At K11 MUSEA, the number of Gold Card Members struck a growth of 358% YoY while Retail Sales from Members was up 156% YoY. For China, we see revenge consumption as the pandemic receded in 2H2020. K11 China recorded a YoY sales growth of 35% in four mainland cities. With the opening of Wuhan K11 Art Mall II and AVENUE 11, K11 sales in Mainland China increased by 50% in December.

Adrian Cheng, Executive Vice-Chairman and CEO of NWD, Founder of K11 said, "The potential of K11's unique cultural retail model has been given full play last year. We will continue to uphold the mission of 'Creating Shared Value' in the future and, by infusing art and culture in city development to enrich people's lives, we will continue to steer customers toward a creative journey."

The Redevelopment Project of Liwan Flower Market Kicked Off in Guangzhou

The Liwan Flower Market redevelopment project in Guangzhou officially commenced on 9 December 2020 and is expected to be launched in 2H2023. This is the Group's second redevelopment project under construction in Guangzhou, following its first one in Tagang Village, Zengcheng District. The Group collected the land on 30 June 2020, and has already started the construction in 6 months, demonstrating the Group's efficiency in property projects execution, especially its strong urban development and operation capability. The project will develop into another national landmark, in addition to Central Park-view and Canton Bay in Guangzhou, to meet the need of rapidly growing GBA environmental, social and living upgrade and enhancement.



Stock Performance

(Stock Code: 17.HK)

Closing Price:
(8 January 2021)
HK\$36.55

52-week Range:
HK\$29.84–HK\$45.04

Market Cap:
HK\$93.03B

Issued Capital:
(Share)
2,545M

Average Daily
Trading Volume :
(Share)
4.81M

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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) New World China Land Limited: NWCL
- (4) Guangdong-Hong Kong-Macao Greater Bay Area: GBA

Business Update

NWCL Obtained the First Education Purpose Land in Mainland China

On 21 December 2020, the Group obtained its first education purpose land in Mainland China. It is located adjacent to Guangzhou South Railway Station in Panyu District, Guangzhou. The acquisition has strengthened NWD's Ecosystem which is to increase the value and spending of each customer within the Group. As one of the key investment projects of Panyu District, Guangzhou, a British elite international school will be built. The school will be staffed with distinguished teachers from global renowned educational institutions, be complemented with world-class facilities including a student innovation center, teachers' residential building and performing arts buildings. This project will help GBA to reach a milestone for its education system. The school will start to enroll students in 2023.

Highly Successful Launch of The New Canton Mansions in the Center of Eastern Guangzhou, 30% ASP Premium with 95% units Sold on First Day

Launched on 27 December 2020, the New Canton Mansion is the luxury residential units of New World Canton Center, a mixed-use development landmark in Eastern Guangzhou. The New Canton Mansions units range from GFA of 92 sqm to 130 sqm. New World Canton Center consists of Grade A office buildings, Rosewood Hotel and a Fashionable Promenade. It will be a dual circular Economy Hub that combines lifestyle, business and entertainment. Moreover, the complex is situated in the center of a TOD (transit-oriented development) transportation hub in eastern Guangzhou, where 10 rail lines intersect, including five subway lines, three high-speed railway lines and two urban rail lines. The subway will connect the project to Zhujiang New Town, which is the CBD of Guangzhou and will thus allow convenient access to Guangzhou Baiyun International Airport, Shenzhen Airport and elsewhere in GBA.

Environmental, Social and Governance (ESG)

NWD Recognized for Exceptional ESG Performance & Climate Risk Management

NWD achieved a 'B' and thereby improved two grades from 2019 in CDP Climate Change Assessment, which demonstrates our effective management in cutting carbon emissions and mitigating climate risks through New World Sustainability Vision 2030. In recognition of our exceptional ESG performance and transparency as well as our dedicated efforts in driving environmental responsibility, NWD is honored to receive the highest-level Jade Award from The Asset ESG Corporate Awards 2020, Asia's longest-running ESG awards. In addition, the Royal Institution of Chartered Surveyors Awards 2020 Hong Kong (RICS) has also awarded New World Group with 4 distinguished Awards, including the Refurbishment/Revitalization Team of the Year (Winner) for Avenue of Stars & Salisbury Garden, Construction Project Management Team of the Year (Winner) for Victoria Dockside, Corporate Social Responsibility Project (Winner) for Nature Discovery Park - Hong Kong's first urban biodiversity education theme park located at K11 MUSEA, and the Sustainability Achievement of the Year (Certificate of Excellence) for Victoria Dockside.

NWS Received the "Best Corporate Governance Award 2020– Gold Award"

NWS has proudly received the "Best Corporate Governance Award 2020 – Gold Award" under the non-Hang Seng Index (medium market capitalization) category from the Hong Kong Institute of Certified Public Accountants in December 2020.

The award recognized NWS' effort in different aspects of corporate governance including the Company's commitment to maintain a high standard and to improve corporate governance practices in light of regulatory requirements and expectations of investors.

NWD also developed the Board level sustainability committee that regularly reports to the Board of Directors on sustainability performance, as well as the continual optimization of enterprise risk management measures.



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