



 **新世界發展有限公司**  
New World Development Company Limited

**FY2023**  
**ANNUAL PRESENTATION**  
ANALYST BRIEFING

29 September 2023



SECTION I

# DELIVERING ON OUR COMMITMENTS



## BEFORE WE BEGIN...

Rumours & legal actions

Operationally and financially strong with abundant capital resources

Commitments to accelerate deleveraging /  
buyback bonds & perps

Reset for next era with increasing recurring income

# ACCESS TO ABUNDANT CAPITAL AT LOW FUNDING COSTS

Abundant liquidity as banks continue to show strong support

## Offshore Borrowings – HKD/USD

- ✓ In 2HFY23, secured **HK\$30b** of low-interest loans from banks
  - Refinancing: c.HK\$22b
  - New money: HK\$8b
- ✓ Low-cost @ **HIBOR+1.1%**
- ✓ All refinancing of borrowings due in FY2024 has been taken care of



Long-standing banking relationship with **~60** banks

**All** maintained the credit lines

## Onshore Borrowings – RMB

Bank loans done with low interest rate

@ **2.8% to 3.2%**

RMB CMBS

HK\$1.2b @ **3.5%**

Panda Bond

HK\$1.6b @ **3.9%**

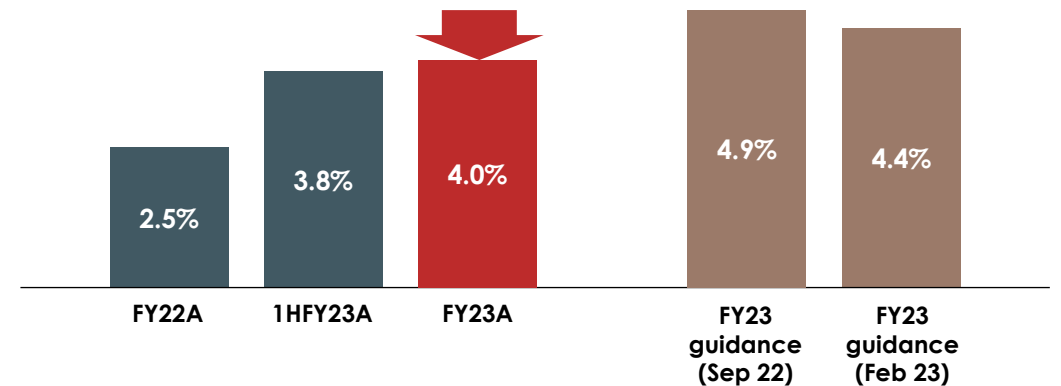
## Capital Resources

**HK\$94B**

HK\$55b cash and bank balances HK\$39b undrawn lines



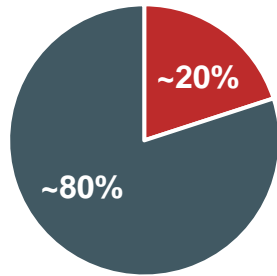
FY23 Average Interest Rate Remains Low



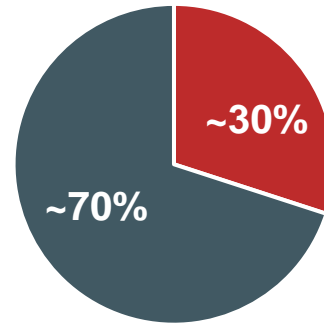
# RECURRING BUSINESS TO CONTRIBUTE ~50% PROFIT BY 2026

Improved earnings stability as a result of strong rental income growth from investment properties pipeline

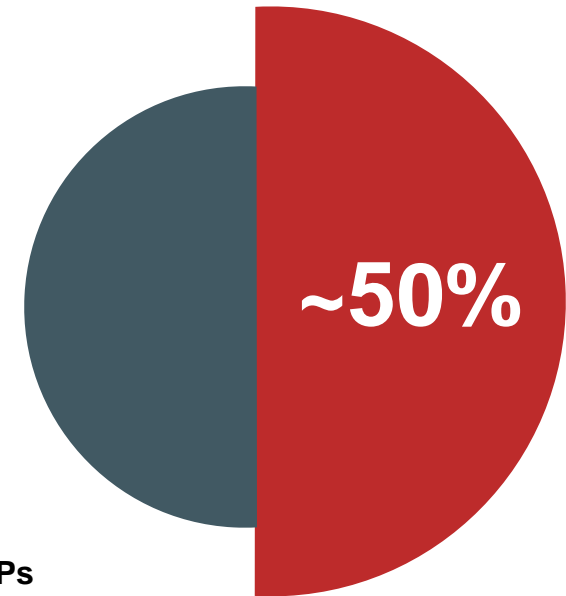
Before  
2023



2023



2026



Ramp up in IP  
since 2019

- Recurring core profit
- Non-recurring core profit

Major IPs



Victoria Dockside



11 SKIES,  
Skycity Project



Shenzhen K11  
Ecoast

# DELIVERING ON 1H23 & FY24 COMMITMENTS

3 key commitments to shareholders were made at 1H23 Results Announcement

## 3 Key Commitments at 1H23 Results Announcement

## FY23 Status

## FY24+

**Accelerate deleveraging**

✓ **On Track**

**No rights issue / equity issuance**

✓ **Delivered**

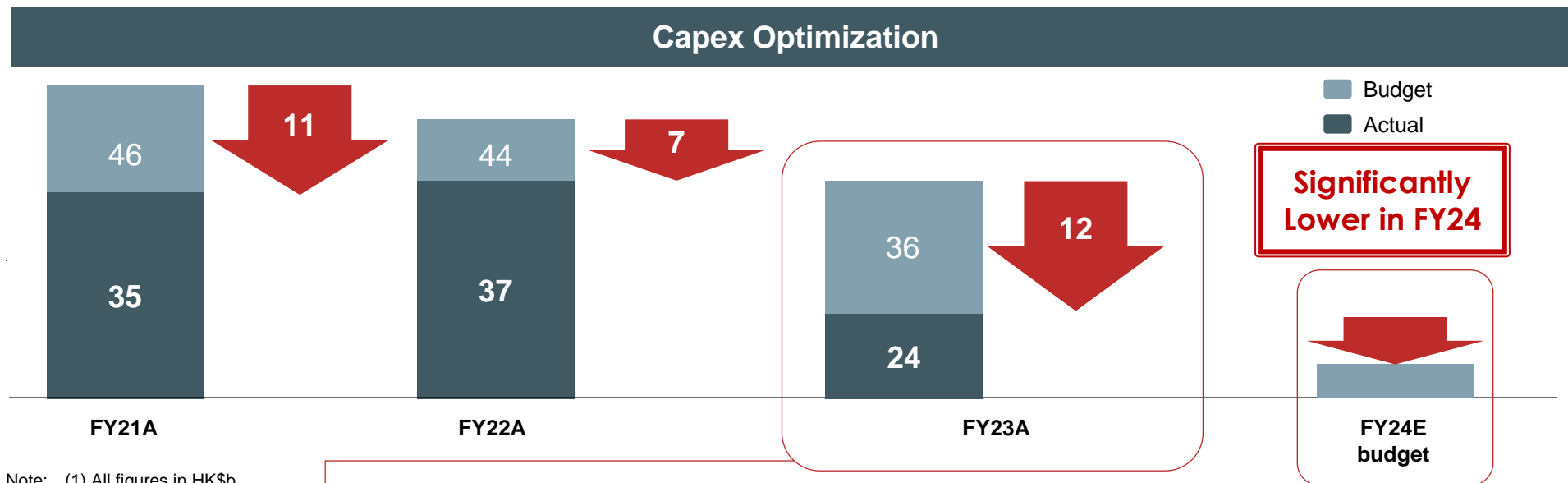
**Explore strategic options**

✓ **On Track**



# 1. CAPEX AND OPEX OPTIMIZATION

Significantly lower capex in FY24 and continuous opex reduction over the years



Note: (1) All figures in HK\$b

### Capex Optimization Initiatives

- JV partner
- Earlier designs
- Centralized procurement
- Landbank strategy

More disciplined land acquisition due to stricter IRR hurdle amidst higher interest rate environment

11 SKIES | K11 ECOAST

Large-scale projects construction entering into final stage (e.g. 11 SKIES, K11 ECOAST), incurring significantly less capex in FY24 and beyond

### Opex Reduction

Savings from Recurring Cost Base vs FY19

**>HK\$3.5b**

G&A as % of revenue

**7.2%** (FY23)

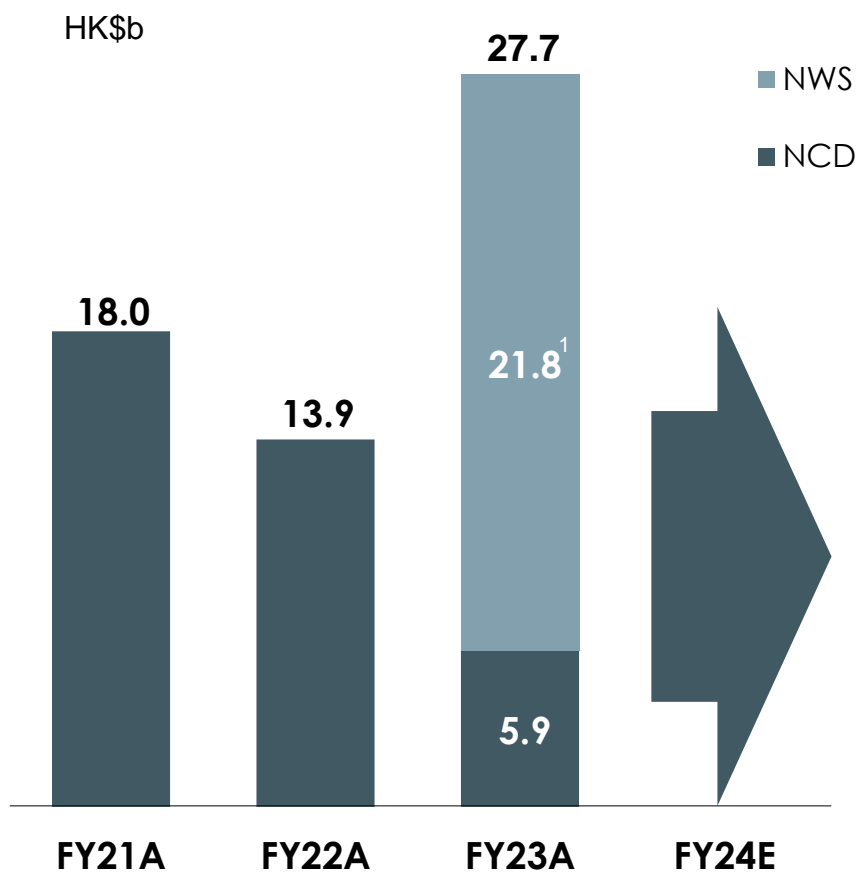
**VS**

**10.1%** (FY22)

## 2. NON-CORE + OTHER DISPOSALS

Non-core disposals to i) optimize portfolio mix and enhance return; ii) accelerate deleveraging

### Non-core + other disposals ahead of market



1. Assume that the disposal of NWS interests took place in FY2023

### Non-core + other disposals rationale

- NWD has been actively disposing of non-core assets since FY2019 for capital recycling
- The offer from CTFE allows a more **flexible** NCD approach in terms of timing and negotiation

### Non-core disposals criteria



**Low IRR** businesses and assets → Recycle capital for higher IRR projects



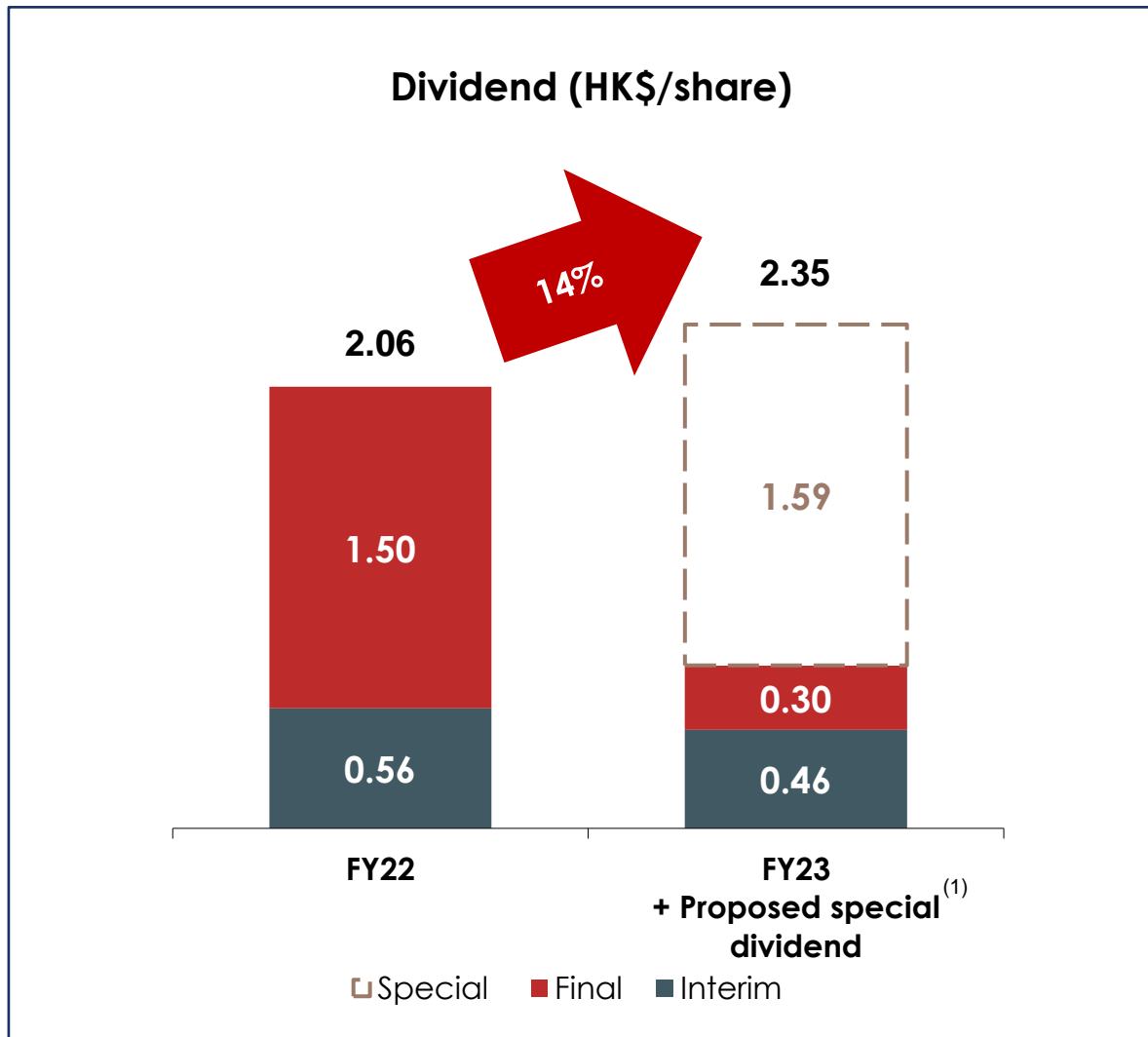
**Minority stake** → Simplify corporate structure and narrow holdco discount



**Little synergy** to NWD ecosystem



### 3. DIVIDEND RESET WITH BETTER ALLOCATION OF CAPITAL...



1. Subject to NWS deal closing

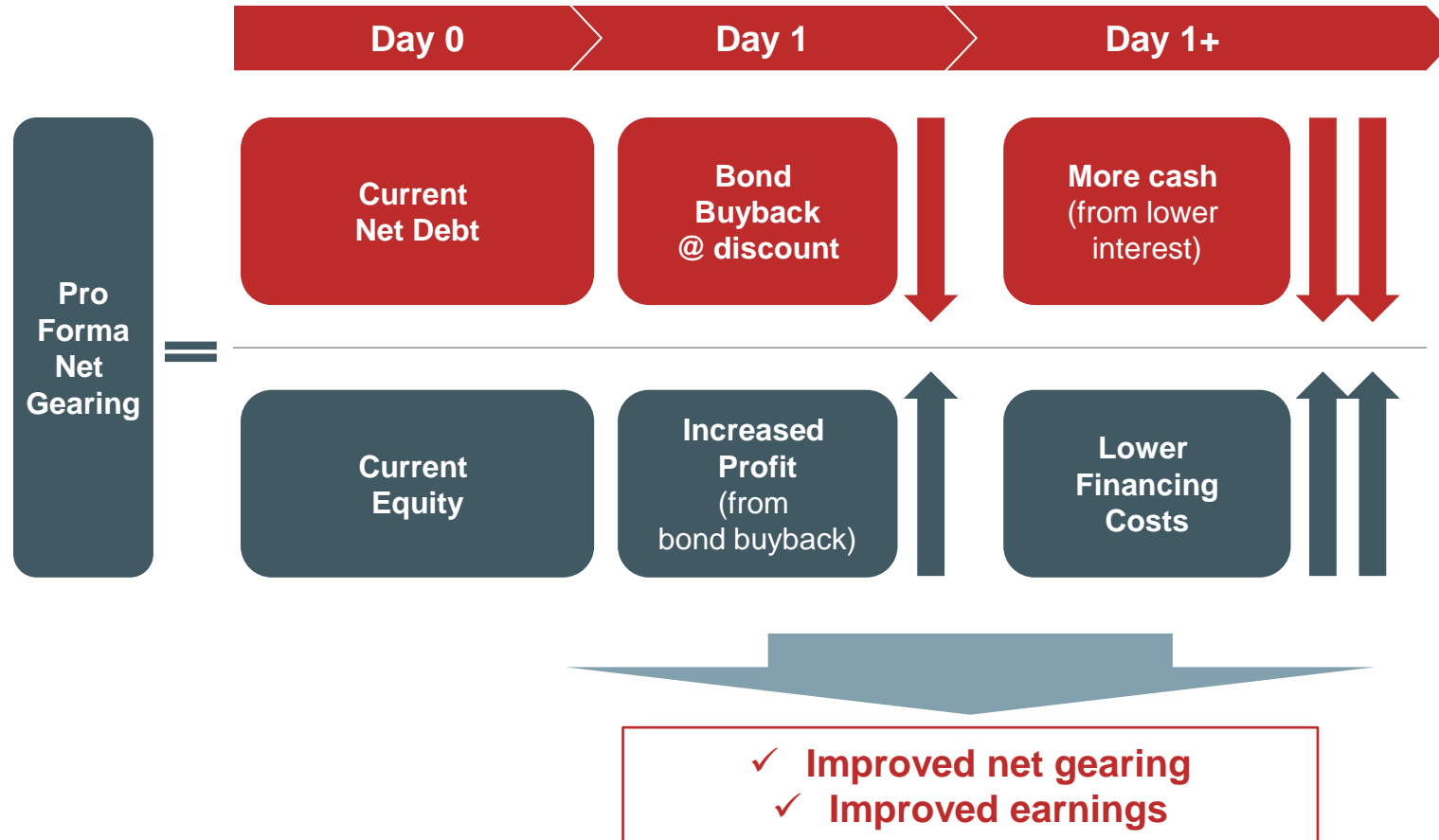
#### Rationale for dividend reset

- ✓ Prudent capital management for prolonged high interest environment
- ✓ Reduced regular dividend to improve financial agility

	Cash Flow Benefits		Accounting Benefits	
	Debt reduction	Improve FCF	Reduce interest expense / perp distribution	Book profit
<b>Bond buyback</b>	✓	✓	✓	✓ (vs 100% par value + interest saved)
<b>Perpetual buyback</b>	Reduce equity	✓	✓	✓ (increase profit attributable to shareholders)
<b>Loan repayment</b>	✓	✓	✓	No immediate profit

# ...WITH OPPORTUNISTIC BOND BUYBACK TO ACHIEVE LEVERAGE REDUCTION AND EARNINGS ACCRETION

Use dividend reduction to benefit from market dislocation and buy back debt at discount



- ✓ **Proactive liability management**
  - Improved cost of capital and debt profile
  - Leverage reduction
- ✓ **Optimized capital allocation**
  - Earnings and NAV accretive
  - Value creation for shareholders
- ✓ **Bond market support**
  - Provides liquidity to bondholders at premium to market price

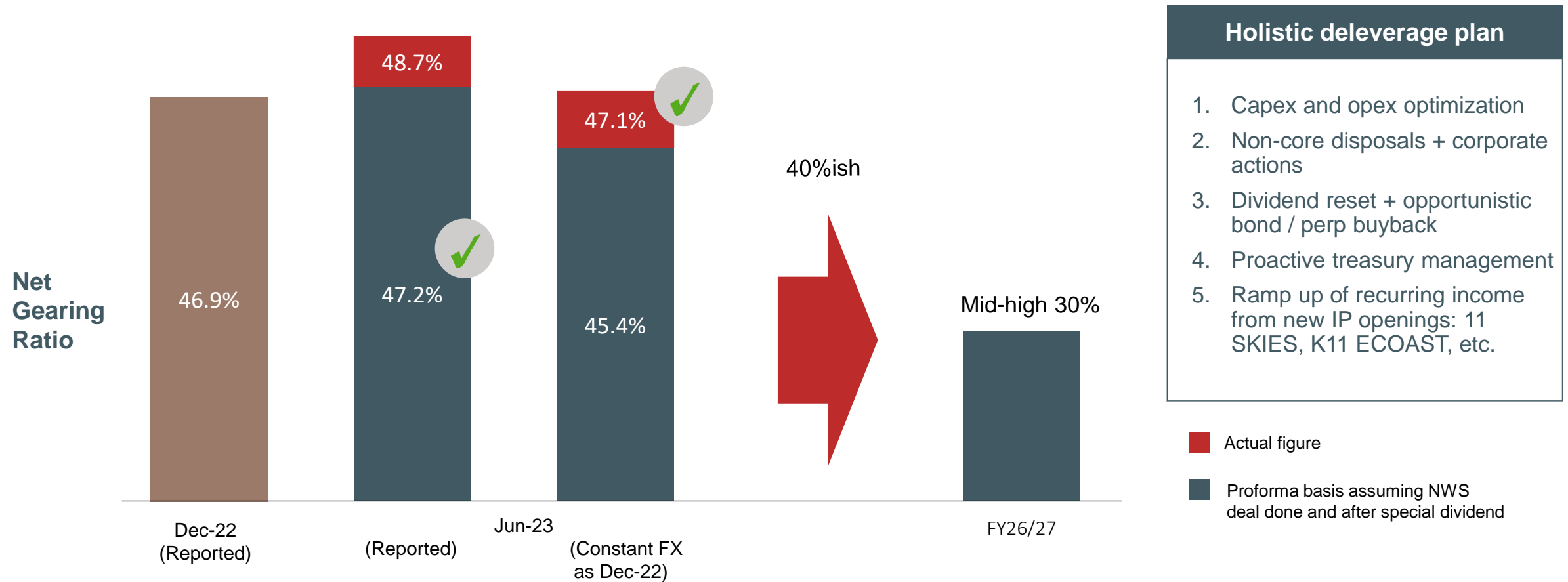
### Tender Offers in Dec 2022

- Total offer: US\$866m
- Total buyback: US\$482m
- **Additional profit of HK\$273m**

# NET GEARING AFFECTED BY RMB DEPRECIATION

## STABILIZING ON BOTH PROFORMA AND CONSTANT FX BASIS

Management remains committed to deleveraging and expects to reach mid-to-high 30s in FY26/27



## KEY COMMITMENT – NO RIGHTS ISSUE / EQUITY ISSUANCE

Key Commitment at  
1H23 Results Announcement

No rights issue / equity  
issuance

FY23 Status

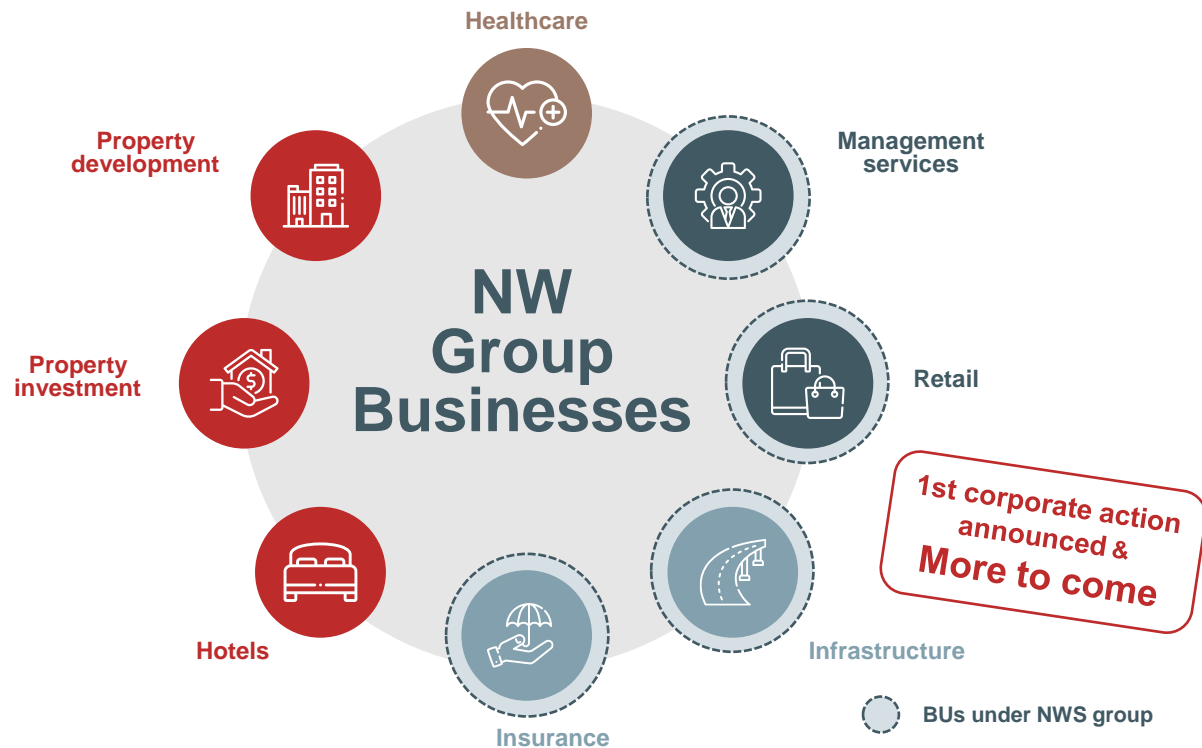
✓ Delivered

FY24+

Remain  
committed

**Management WILL NOT / DOES NOT NEED TO consider rights or equity issuance even WITHOUT the offer from CTFE**

# EXPLORE STRATEGIC OPTIONS FOR VARIOUS BUSINESSES TO UNLOCK VALUE AND MAXIMIZE SHAREHOLDER RETURN



Actively exploring strategic options for various businesses in order to:

- **Unlock value** of individual business units
- Sharpen respective **strategic focus** of our group companies
- **Narrow** holdco discount
- **Maximize return** for shareholders

2020 - Current

Non-core disposal to streamline businesses

Feb 2023

Announced exploring a **SERIES** of **CORPORATE ACTIONS**

June 2023

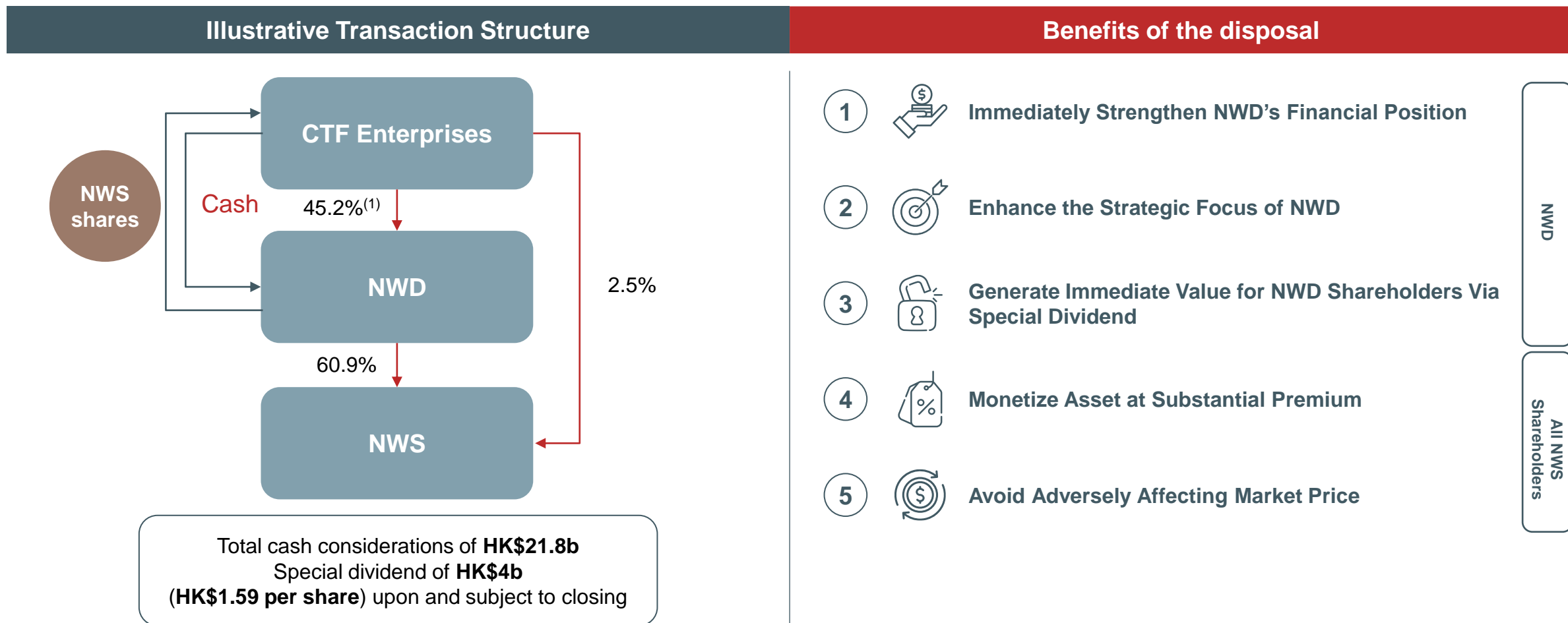
CTFE's VGO of **NWS** announced

Sept 2023 →

**More to come**

# TRANSACTION OVERVIEW – CTFE’S PROPOSED OFFER FOR NWS

Significant corporate action to generate immediate value for investors, reposition NWD around its higher-growth property businesses, and recycle capital



NWD  
All NWS Shareholders

1. Represents “CTFE and the Relevant CTFE Subsidiaries” as in the Joint Announcement

SECTION II

# BUSINESS AND FINANCIAL REVIEW



# FY23 FINANCIAL SUMMARY

Revenue	Core Profit <sup>(1)</sup>	Profit for the Year
<p><b>HK\$95,214M</b></p> <p><b>+40% YoY</b></p>	<p><b>HK\$11,011M</b></p> <p><b>+21% YoY</b></p> <p>Underlying profit HK\$6,117M (-14% YoY)</p>	<p><b>HK\$4,081M</b></p> <p><b>-5% YoY</b></p> <p>Profit attributable to shareholder HK\$901M (-28% YoY)</p>
Capital Resources	Net Gearing Ratio	Dividend
<p><b>HK\$94B</b></p> <p>HK\$55b cash and bank balances HK\$39b undrawn lines</p>	<p><b>Reported: 48.7%</b></p> <p><b>Constant RMB: 47.1%</b><sup>(2)</sup> (Assume constant RMB as at Dec 2022)</p>	<p><b>Interim: HK\$0.46/share</b></p> <p><b>Final: HK\$0.30/share</b></p> <p><b>Special dividend (subject to deal closing): HK\$1.59/share</b></p>

1. CORE PROFIT = Earning before Net Finance Costs, Tax, IP Fair Value Changes & Other Non Cash / Exceptional Items  
 2. Without taking into consideration of the NWS deal

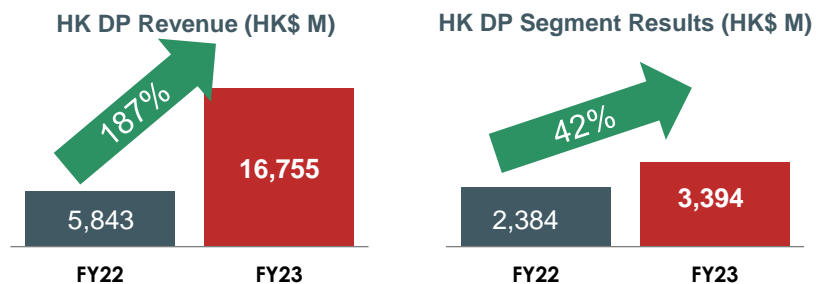


# SOLID DP AND K11 RESULTS AMIDST CHALLENGING ENVIRONMENT SUCCESSFULLY OPTIMIZED CAPEX

## FY23 Financial Highlights

### Development Properties

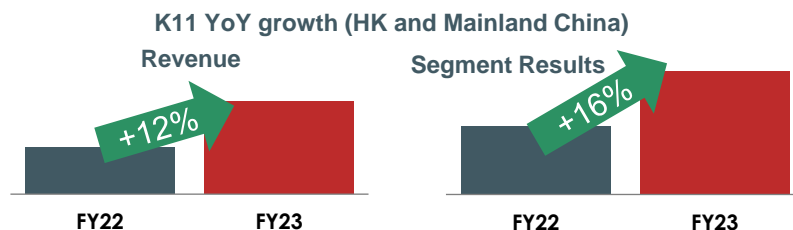
- **Strong HK DP performance** driven by Pavilia Farm I & II booking



- **Resilient Mainland China contracted sales**
  - ✓ Strong presence in 1<sup>st</sup> tier cities
  - ✓ Brand premium associated with high quality product

**~100%** of full year target (RMB 15b) achieved

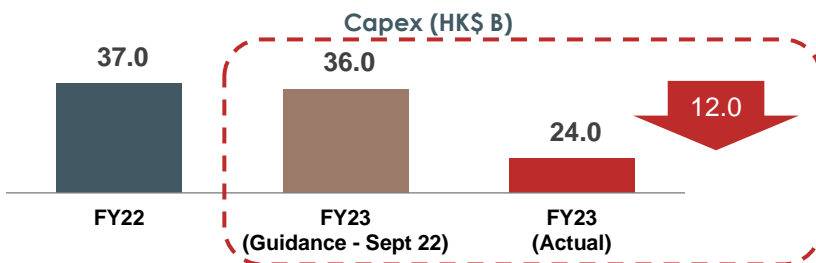
### Investment Properties



- **Strong K11 performance** benefitting from proven **differentiated positioning**



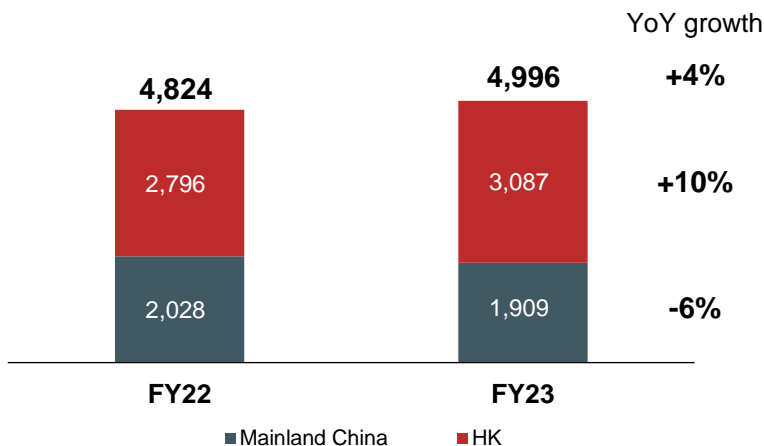
### Capex Optimization



- More **disciplined** capex deployment
- Major IP projects reaching **end of investment cycle**

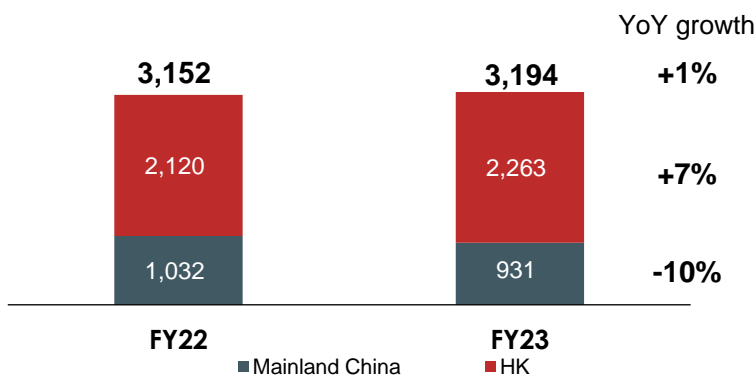
# SOLID K11 RESULTS BENEFITTING FROM FULL BORDER REOPENING

IP Revenue by Region



**K11**  
YoY growth  
**+12%**  
**+16%**  
**-2%**

IP Segment Results by Region



**K11**  
YoY growth  
**+16%**  
**+21%**  
**On Par**

Note: (1) All chart figures in HK\$ M

## Favorable HK policy



Massive Publicity Campaign



Top Talent Pass Scheme



SKYCITY: Transformation from a "city airport" to an "Airport City"



Domestic "Happy" scheme



Introduction of labour importation



Connection with Mainland

## Stimulus PRC Policy

- NDRC issued **20 measures to boost domestic consumption**
- **Increased disposable income from reduced interest rate**

# K11 RECORD-HIGH SALES PERFORMANCE


K11 MUSEA and K11 Art mall have recorded the highest footfall since their respective openings, with overall sales also hitting an all-time high

Management Alpha			
Brand value	Good tenant mix	Strong CRM	Differentiated customer experience


## K11 MUSEA




Night Market by the Sea – Hong Kong's First Cultural Waterfront Market

**FY23 Occupancy** 

MUSEA	<b>98%</b>
Art Mall	<b>99%</b>

**2HFY23 Mall Sales YoY** 

MUSEA	<b>84%</b>
Art Mall	<b>82%</b>

**2HFY23 Footfall YoY** 

MUSEA	<b>67%</b>
Art Mall	<b>56%</b>

# NIGHT MARKET BY THE SEA – HONG KONG'S FIRST CULTURAL WATERFRONT MARKET

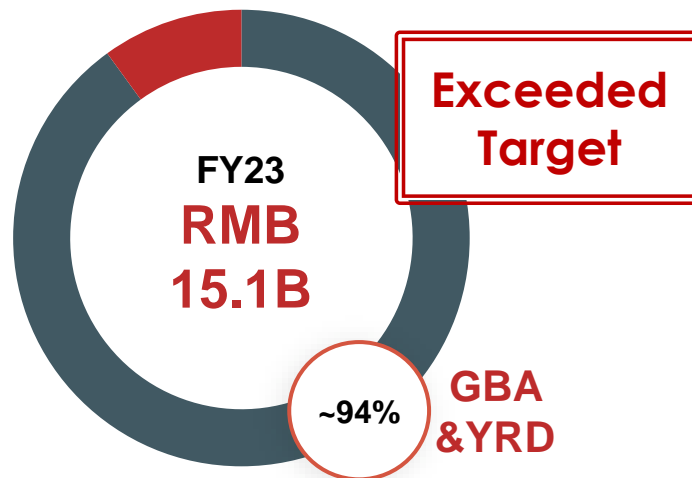
>15,000 Visitors on the First Weekend | Footfall +30% vs last weekend



# MAINLAND CHINA ACHIEVED CONTRACTED SALES TARGET RMB15B+ FOR FY23 AND RMB4.1B FOR JUL AND AUG 2023

Robust performance despite challenging environment

## Contracted sales



## NWD'S EDGE

- Premium New World branding with quality products at **higher ASP**
- Best **1<sup>st</sup> tier locations** in GBA & YRD
- Targeting **upgraders** who benefit from recent favorable policies
- Strong track record with no prolonged construction suspension risk

## Key projects launched in FY23



### GUANGZHOU PARK PARADISE

**RMB1.7b**

contracted sales

Note:  
1. NWD has 100% equity interest



### SHANGHAI CITY GATHER

**RMB5.3b**

contracted sales

- 1<sup>st</sup> (Apr) of RMB3.8b
- 2<sup>nd</sup> (Aug) of RMB1.5b
- ASP >RMB100k/sqm

Note:  
1. NWD has 20% equity interest

**1<sup>st</sup> and 2<sup>nd</sup> phase ALL SOLD OUT**  
(Apr and Aug)

# WITH HIGH-QUALITY PROJECTS AND STRONG PRESENCE IN PRIME LOCATIONS, NWD BENEFITS FROM FAVORABLE POLICIES STIMULATING **UPGRADING DEMAND**

Robust performance despite the market downtrend

## Recent favorable policies

- Sept 20: **Relaxation** of home purchase restriction for some districts in Guangzhou (including **Panyu**)
- Sept 1: 認房不認貸 **confirmed for all tier one cities**
- Aug 31: Lowering down-payment ratio to 20% (first home) / 30% (second home)
  - **First nationwide demand side easing since 2015**

## Contracted sales

**RMB5.0b**

contracted sales for July to September



## Key projects launched in Jul – Sept 23



**Within one hour of initial market launch:**

- **230 units were sold**
- **contracted sales of RMB1.5b+**

Note:  
1. NWD has 65% equity interest

### GUANGZHOU HANXI

**~RMB3.0b**

**sales subscriptions since March**

- Home purchase restrictions lifted in Panyu District on Sept 20
- Homebuyer visits +241%
  - Many buyers with multiple units purchases



Note:  
1. NWD has 100% equity interest

### SHENYANG PARK VILLE

**~RMB1.0b**

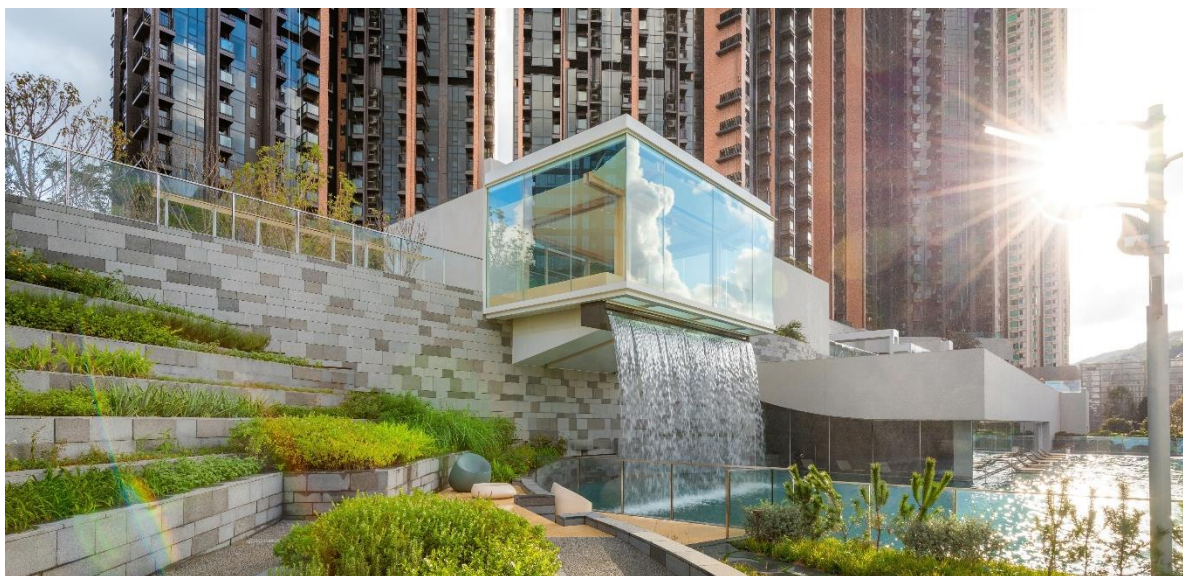
**sales subscriptions since July**

- **1,000+** prospective homebuyers visiting each month
- **100+** units sold each month
- Continues to top the Residential Property Sales List

# HK DP STRONG REVENUE GROWTH DRIVEN BY PAVILIA FARM BOOKINGS STRONG OFFICE SALES, FOCUSING ON WEST KOWLOON



Residential: The Pavilia Farm I & II



HK DP  
segment results  
increase  
**+42% YoY**

Office: Strong sales NCB Innovation Centre (888 LCK Road)



Attributable contracted sales  
**~HK\$6,500m**  
floorspace sold  
**80%+**

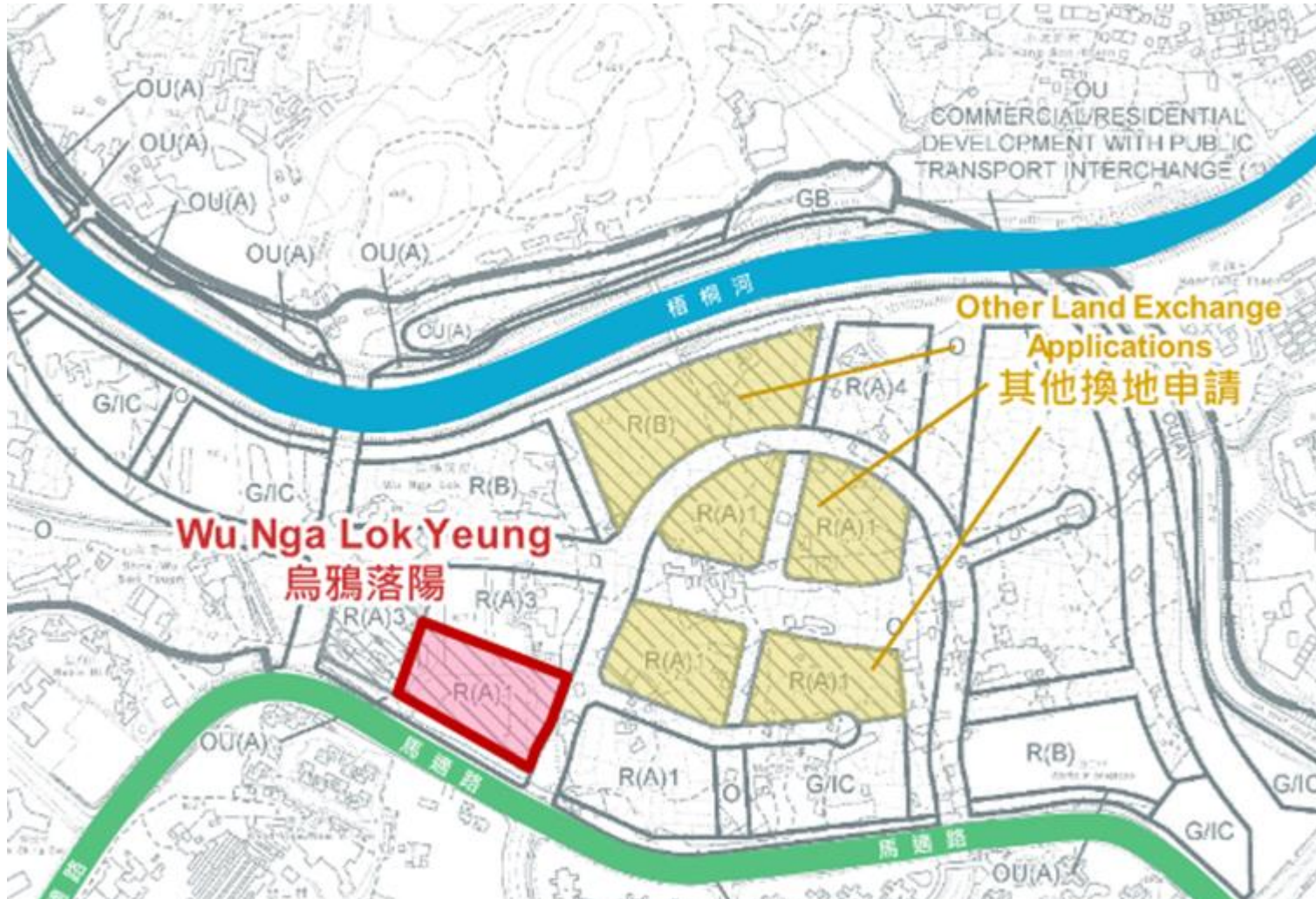
Office: Sale of 51% stake of Wing Hong Street Project to Ares



Considerations  
**~HK\$3,079m**  
The first grade-A commercial  
complex in the core business  
district of West Kowloon

# FANLING NORTH NEW DEVELOPMENT AREAS (WU NGA LOK YEUNG)

Northern Metropolis Strategy: To create more land resources for residential use and support the development of I&T and other industries



Easy access to Ma Sik Road 馬適路

- Road connections in place

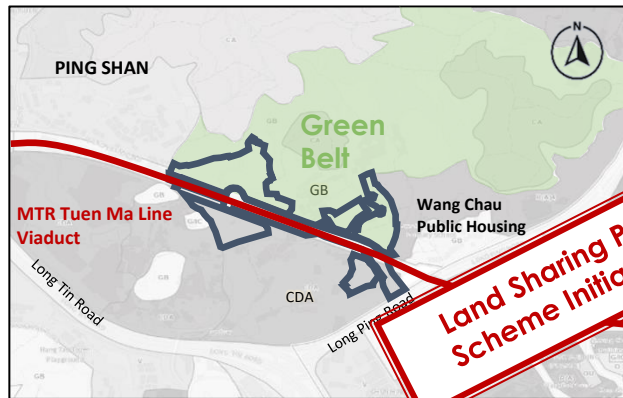
Previously loaned to govt for free to build temporary isolation/quarantine facilities





# MASSIVE VALUE RE-CREATION ON AGRICULTURAL LAND ABUNDANT RESOURCES FROM FARMLAND CONVERSION

## 1. WING NING TSUEN 永寧村



Land Sharing Pilot Scheme Initiatives

Domestic Plot Ratio

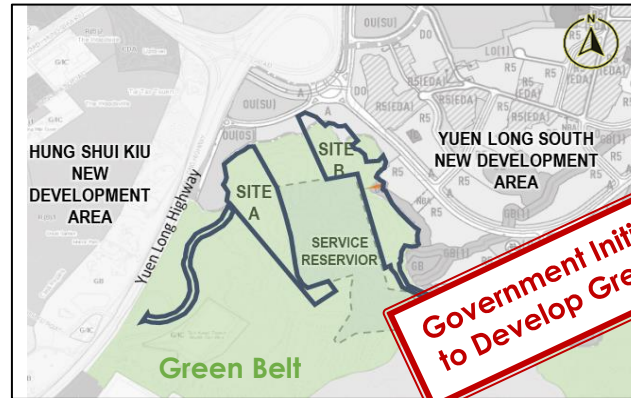
0 (Now) → 6 (Proposed)

Anticipated NWD Att. GFA	No. of Units
<b>~0.9M</b>	<b>~1,600</b>

**Progress :**

Earliest OZP Land Use Amendment	Q4 2023
Land Exchange Completion	Early 2026

## 2. TONG YAN SAN TSUEN MOUNTAIN SITES 唐人新村山頭



Government Initiatives to Develop Green Belt

Domestic Plot Ratio

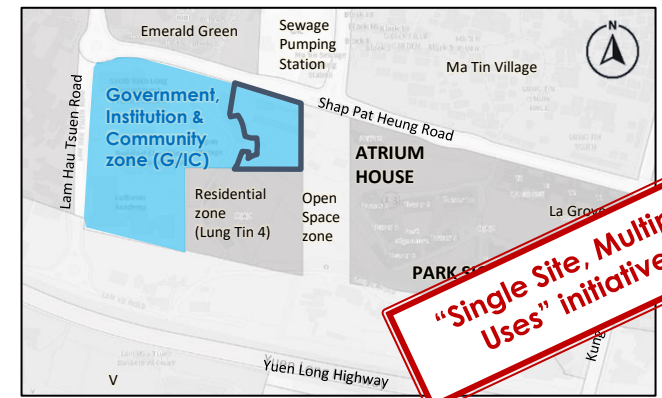
0 (Now) → 3.6 (Proposed)

Anticipated NWD Att. GFA	No. of Units
<b>~3.0M</b>	<b>~5,600</b>

**Progress :**

Rezoning Application submitted to Town Planning Board (TPB)	Dec 2022
Earliest TPB Consideration	Early 2024

## 3. LUNG TIN TSUEN (PHASE 5) 龍田村五期



"Single Site, Multiple Uses" initiatives

Domestic Plot Ratio

0 (Now) → 6 (Proposed)

Anticipated NWD Att. GFA	No. of Units
<b>~0.4M</b>	<b>~950</b>

**Progress :**

Rezoning Application submitted to Town Planning Board (TPB)	Jun 2023
Earliest TPB Consideration	Mid 2024

# K11 PIPELINE: ENTERING A “HARVESTING PHASE” BEGINNING THE LONGER-TERM PROCESS OF REALIZING RETURNS ON PAST INVESTMENTS

11 SKIES: Newest tourism landmark at the heart of GBA will largely benefit from tourism rebound and flight capacity expansion

## Unparalleled Geographical Advantage



### Easy access to key transportation hubs

- |  |   |
|--|---|
| <b>Direct footbridge</b>                   | <ul style="list-style-type: none"> <li>• HK Airport Terminal 2</li> <li>• Asia World-Expo</li> <li>• Airport Express Station</li> </ul> |
| <b>Airportcity Link (autonomous train)</b> | <ul style="list-style-type: none"> <li>• HK-Zhuhai-Macao Bridge (with new parking facility being built)</li> </ul>                      |
| <b>Others key facilities nearby</b>        | <ul style="list-style-type: none"> <li>• SkyPier Terminal</li> <li>• Three Five-Star hotels</li> </ul>                                  |

## One-Stop Largest Entertainment, Retail and Commerce Landmark

Total GFA **3.8M sqft** | Over **800 shops**

HK's Biggest Indoor Entertainment Hub for All Ages  
**570,000 sqft**



ARTE Museum



KidZania



Paddington Play Adventures



Timeless Flight Hong Kong

## Highly Recognized Award



Cooperation with Disneyland – Transform Lantau into International Travel-tainment Hub

**新世界與香港迪士尼合作**  
**大嶼山首個旅遊娛樂地標**



**11 SKIES開店**

# K11 PIPELINE: ENTERING A “**HARVESTING PHASE**” BEGINNING THE LONGER-TERM PROCESS OF REALIZING RETURNS ON PAST INVESTMENTS

## Kai Tak Sports Park



The **Largest** Sports Venue in Hong Kong

Opening by end of 2024

Host the 15<sup>th</sup> National Games in 2025

Main Stadium

**50,000 seats**

“Sportainment” retail experience

**700k sq ft**

## K11 ECOAST in Shenzhen Prince Bay (深圳太子灣)



 新世界中國  
New World China

1

 招商蛇口

K11's **inaugural flagship** project in mainland China

Opening in phases from 2024

Total GFA

**~228k sqm<sup>2</sup>**

**Geographical Advantage**

- Spectacular coastal landscape
- Adjacent to Shekou Cruise Centre and Marine World

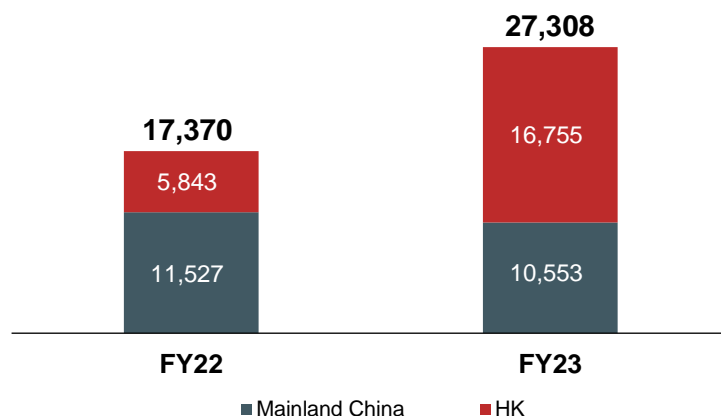
# APPENDIX



# STRONG REVENUE GROWTH DRIVEN BY HONG KONG BOOKINGS

GBA margins remain robust

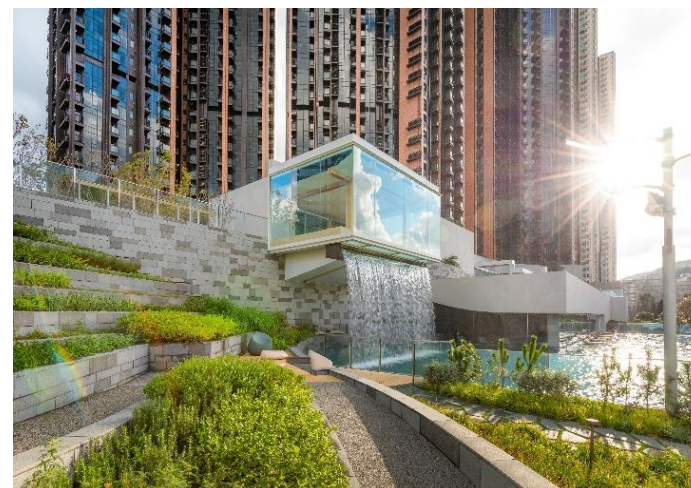
DP Revenue by Region



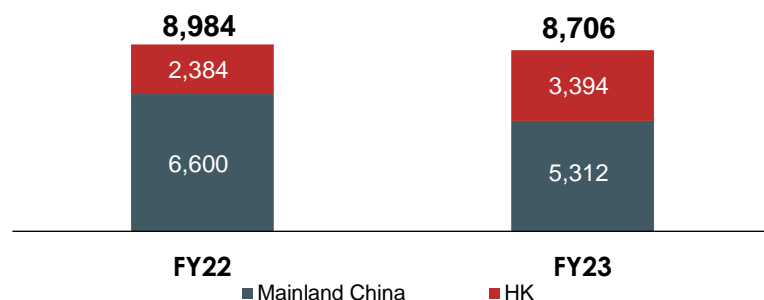
Revenue increase  
**+57% YoY**

Major booking in FY23

- 🌸 The Pavilia Farm I & II
- 🇨🇳 GBA projects, e.g. 廣州逸彩庭園、廣州嶺南新世界



DP Segment Results by Region



HK segment results increase  
**+42% YoY**

Strong HK profit contributing from the Pavilia Farm I & II

GBA remained resilient with  
**60%+ margin**



Note: (1) All chart figures in HK\$ M

# HONG KONG ABUNDANT PIPELINE LAUNCHING IN 2024

## Why NWD



Brand premium



Strong execution  
capability



Ecosystem



## WONG CHUK HANG PHASE 5

### Project Highlights

- Track record in high end MTR project
- Speculator view
- Special design feature



## STATE THEATRE PROJECT

### Project Highlights

- Meticulous conservation project to restore the Grade I historic site
- Collectable and unique positioning

## Other Key Projects in 2024

### Residential projects

Miami Quay

Knightsbridge

530-538 Canton Road

Kaitak Mansion

Kaitak 6591

4A-4P Seymour Road

# HONG KONG: NWD FARMLAND PROJECTS KEY BENEFICIARY FROM NORTHERN METROPOLIS (NM) STRATEGY (1/2)

Northern Metropolis Strategy: To create more land resources for residential use and support the development of I&T and other industries

## New policy initiatives

**A**

Land premium revised down /  
Increased plot ratio

**B**

Infrastructure development

**C**

Single site, multiple use

## Benefits to NWD

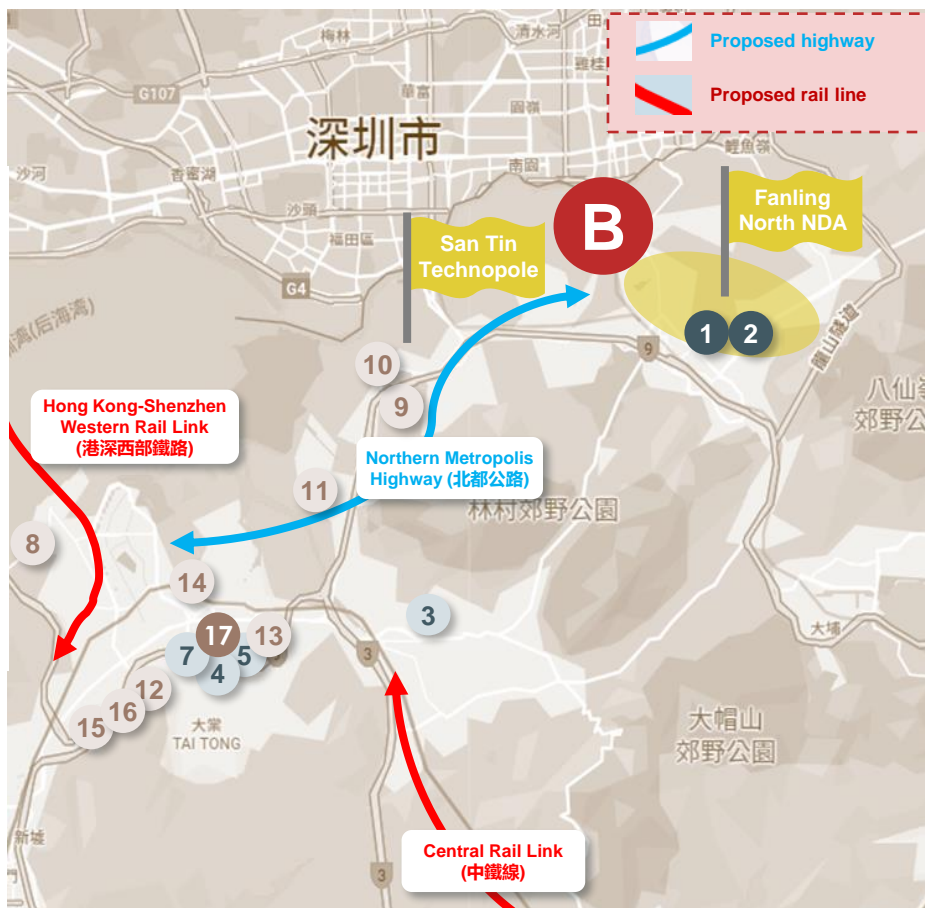
- ✓ **Land capex saving** by benchmarking downward adjustment of land premium standard rates in New Development Areas,
  - ✓ Decrease (↓ >30%) at Wu Nga Lok Yeung
- ✓ **GFA addition (↑~20%)** to increase profit
- ✓ Key new transport infrastructure connecting all areas of NM (including New Development Areas, San Tin Technopole) and increasing **conversion certainty**
- ✓ Efficient utilization of land resources for multiple use (including residential and supporting public facilities)

Increase certainty and solidify value of NWD's farmland resources

**~15M**

sqft land area  
within Northern  
Metropolis radar

# HONG KONG: NWD FARMLAND PROJECTS KEY BENEFICIARY FROM NORTHERN METROPOLIS (NM) STRATEGY (2/2)



Note: (1) Lands Department announced revised standard rates in Jun 2023  
 (2) All figures rounded to thousand unit  
 (3) Wing Ning Tsuen is under the land sharing pilot scheme program  
 (4) Sha Ha (No.6) is located in Sai Kung and not shown on the map  
 (5) 3M sqft GFA from land exchange and 10.5M sqft GFA from up zoning comprises other farmland projects which are not included in the table

## Key land exchange: Short term farmland conversion

Farmland	Conversion schedule	Attr. GFA (sqft)	Total attr. GFA (sqft)
Wu Nga Lok Yeung Fanling 粉嶺烏鴉落陽	1	559,000	Latest initiative: Benchmark downward adjustment of standard rates <sup>1</sup>
Ma Shi Po Fanling 粉嶺馬屎埔	2	132,000	
Tsat Sing Kong, Kam Tin, Yuenlong 元朗錦田七星崗	3	67,000	FY24 - FY27 <b>~3M</b> <sup>5</sup>
Yuenlong Lungtin Tsuen (Phase 4) 元朗龍田村四期	4	280,000	
Yuenlong Lungtin Tsuen (Phase 2) 元朗龍田村二期	5	441,000	
Sha Ha Saikung 西貢沙下	6	710,000	
Lam Hau Tsuen 樓口村	7	529,915	

## Key up-zoning: Medium to long term pipeline

Farmland		Plot ratio		Attr. GFA (sqft)	Total attr. GFA (sqft)
		Existing	Proposed		
Lau Fau Shan 流浮山	8	0.2 & 0.4	3	661,000	<b>~10.5M</b> <sup>5</sup>
Ngau Tam Mei 牛潭尾	9	0.4	5	1,090,000	
Lin Barn Tsuen 練板村	10	0.4	1.5	1,418,000	
Wing Kei Tsuen 榮基村	11	0.4	1.5	1,051,000	
Tong Yan San Tsuen 4 唐人新村 4	12	0.4 & 1	3.6	743,000	
Hang Heung 恆香	13	0	6.0	240,382	
Wing Ning Tsuen 永寧村	14	0	6 & 6.5	859,000	
Tong Yan San Tsuen (Mountain) (Site A) 唐人新村(山頭)(地盤A)	15	0	3.6	1,597,000	
Tong Yan San Tsuen (Mountain) (Site B) 唐人新村(山頭)(地盤B)	16	0	3.6	1,417,000	
Lung Tin 5 龍田5	17	0	6	366,000	

**Total**

**3X**  
of existing DP  
landbank

**~13.5M**

Latest initiative: Submission to TPB in Jun 2023


**A**

**C**



# MAINLAND CHINA UNIQUE URBAN RENEWAL PROJECTS (“URP”) APPROACH

Focus on URP with less upfront capex, lower land premium and shorter execution process

Project timeline		Longgang District 188 Industrial Zone Project		Limited land supply in 1 <sup>st</sup> tier cities -> More URP opportunities	
Sept 21	Acquire projects	 <p><b>Shenzhen</b></p> <p><b>Residential + Commercial</b></p> <p>Development scale up to ~440,000 sqm</p> <p><b>RMB21b</b> Saleable resources      <b>Atop</b> Metro station</p>		Focus on 工改商住 projects	
Dec 22	Obtain all approvals			More efficient and flexible	
Dec 22	Start constructions			Better project quality and higher completion ratio	
FY25	Pre-sell			Local team with direct access to local resources and projects	
FY26	Completion				

# MAINLAND CHINA ABUNDANT SALEABLE RESOURCES OF RMB57B+ FROM GBA AND YRD IN FY24 & BEYOND

## Key GBA and YRD projects



Urban renewal project

### Shenzhen Longgang 188

**RMB21b** **FY25**  
 Saleable resources Pre-sale



Relaxation of housing purchase restriction in Guangzhou

### Guangzhou Hanxi

**RMB9b** **2HFY23**  
 Saleable resources Pre-sale



Urban renewal project

### Shenzhen Guangqiao

**RMB5b** **FY26**  
 Saleable resources Pre-sale



### Guangzhou 白鹅潭

**RMB12.5b** **FY24**  
 Saleable resources Pre-sale



Urban renewal project

### Shenzhen Xili

**RMB5b** **FY26**  
 Saleable resources Pre-sale



### Hangzhou Arts Centre

**RMB5b** **FY24**  
 Remaining saleable resources (commercial portion) Pre-sale

Note: All saleable resources in gross basis

# CONTINUOUS PIPELINE GROWTH OF K11

38 K11 projects upon completion with ~3.0M sqm in portfolio

K11 projects								
Status	Site	Type	GFA <sup>1</sup> (sqm)	Status	Site	Type	GFA <sup>1</sup> (sqm)	
Current	Hong Kong	K11	34,000	FY2024	Shenzhen (Qianhai) <sup>3</sup>	K11 ATELIER	100,000	
	Hong Kong	D · PARK	60,000		Shenzhen (Qianhai) <sup>3</sup>	Retail	27,000	
	Hong Kong Victoria Dockside	K11 MUSEA	104,000		Hong Kong 11 SKIES	Retail	298,000	
	Hong Kong Victoria Dockside	K11 ATELIER	40,000	FY2025	Hong Kong Kai Tak Sports Center	Retail	65,000	
	Hong Kong Victoria Dockside	K11 ARTUS	36,000		Shenzhen (Prince Bay)	K11 ECOAST	193,000	
	Hong Kong King's Road	K11 ATELIER	47,000		Shenzhen (Prince Bay)	K11 ATELIER	25,000	
	Guangzhou (CTF) <sup>2</sup>	K11	70,000		Shenzhen (Prince Bay)	Cultural Retail Space	9,000	
	Guangzhou (CTF) <sup>2</sup>	K11 ATELIER	215,000		Guangzhou (Hanxi)	K11 Select	81,000	
	Wuhan (Guanggu)	K11 Select	51,000		Beijing (K11) <sup>3</sup>	K11	52,000	
	Shanghai	K11	38,000		FY2026 and beyond	Hangzhou	K11	83,000
	Shanghai	K11 ATELIER	81,000			Hangzhou	K11 ATELIER	50,000
	Shenyang	K11	259,000	Hangzhou		K11 ARTUS	27,000	
	Wuhan (Hankou 2)	K11	40,000	Hangzhou		Art & Cultural Space	6,000	
	Wuhan (Hankou 1)	K11	43,000	Shanghai Middle Huaihai Road		K11	53,000	
	Wuhan (Hankou 1)	K11 ATELIER	51,000	Shanghai Middle Huaihai Road		K11 ATELIER	40,000	
	Tianjin (CTF) <sup>2</sup>	K11 ATELIER	141,000	Shanghai Jinqiao <sup>2</sup>		Asset Light	K11 Select	106,000
	Tianjin (CTF) <sup>2</sup>	K11 Select	46,000	Xiamen Wuyuanwan <sup>2</sup>		Asset Light	K11 Select	95,000
	Hong Kong 11 SKIES	K11 ATELIER	53,000	Wuxi International Convention Centre <sup>2</sup>		Asset Light	K11 Select	80,000
			Wuhan (CTF) <sup>2</sup>	K11		K11	93,000	
			Huzhou <sup>2</sup>	Asset Light	K11 Select	77,000		
<b>Total (18 Projects)</b>			<b>1,409,000</b>	<b>TOTAL (38 Projects)</b>			<b>2,969,000</b>	

~30% CAGR rental income  
from FY23 – FY27

Latest initiative

1. Refers to accountable GFA including above and below ground, and excluding carpark areas  
2. Asset owned by other party and managed by NWD  
3. Asset owned in form of JV between NWD and other parties

HOTEL

# STRONG HOTEL PERFORMANCE WITH SOLID OCCUPANCY

Strong recovery in all regions after the end of the 3-year global travel restrictions in January 2023

## Hong Kong



Grand Hyatt Hong Kong



Renaissance Harbour View Hotel

Hong Kong Hotels		
	FY 23	2H FY 23
Revenue	69% YoY	149% YoY
Occupancy	▲19% pts YoY	▲31% pts YoY
Room Rate	50% YoY	63% YoY

## Mainland China



Rosewood Beijing



New World Beijing

China Hotels		
	FY 23	2H FY 23
Revenue	25% YoY	124% YoY
Occupancy	▲15% pts YoY	▲36% pts YoY
Room Rate	5% YoY	16% YoY

## Southeast Asia



Rosewood Phuket



New World Makati Hotel

Southeast Asia Hotels		
	FY 23	2H FY 23
Revenue	156% YoY	122% YoY
Occupancy	▲19% pts YoY	▲24% pts YoY
Room Rate	80% YoY	57% YoY

Note: on gross basis

# ESG INTEGRATION – RECENT ACHIEVEMENTS

## Ambitious climate action and engagement

Continued to implement **Climate Resilience Guideline** to further incorporate climate resilience into assets

Reviewed **physical and transitional climate risks and opportunities** to enhance understanding of their potential business and financial implications

**Near-term 1.5°C-aligned Science Based Targets approved** by Science Based Targets initiative (SBTi)  
Committed to SBTi Net-Zero Standard



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



## ESG integration into investment decision-making

**Responsible Investment Policy** was approved and guides how we integrate sustainability commitments, standards, guidelines and risk considerations into investment decisions across the Group

## Commitment to diversity

**35.3%**

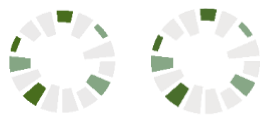
of NWD Board seats held by women

NWD is committed to achieving and maintaining a diverse Board and workforce

## Rising performance in international ESG ratings



**BBB**  
on MSCI ESG Rating



GRESB REAL ESTATE  
sector leader 2022

**Regional Sector Leader**  
among all Asia diversified companies  
Highest 5-star rating



**Low ESG risk**

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

Listed on **Dow Jones Sustainability World Index**



Climate Change: **A-**  
Water Security: **A-**

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