



新創建 NWS

New World Group Member



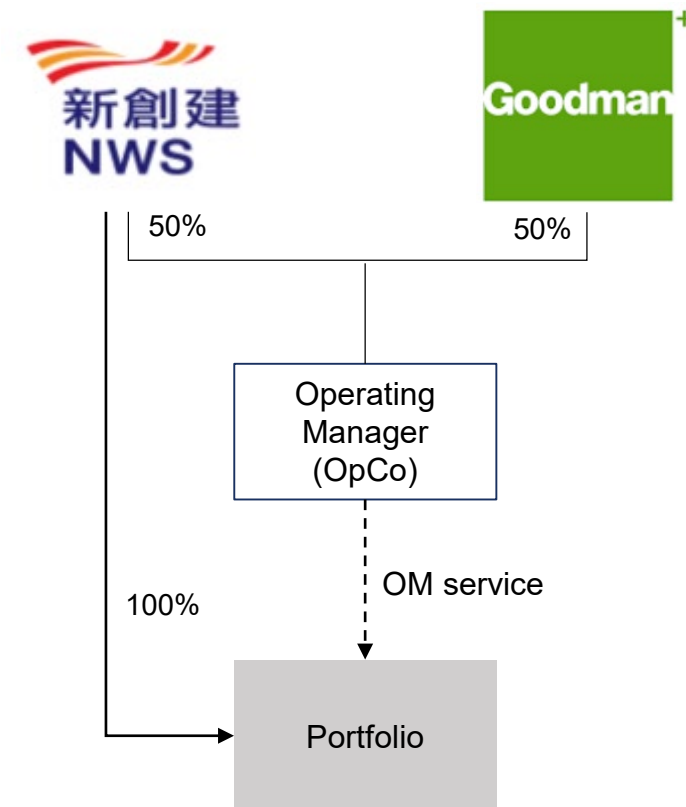
Transaction Briefing

Acquisition of a portfolio of six logistics properties in Chengdu and Wuhan
and establishment of an operating manager joint venture

16 May 2022

Acquisition of a Portfolio of 6 Logistics Properties in Chengdu & Wuhan

Transaction Highlight	
Announcement date	16 May 2022
Transaction structure	1) Acquisition of six logistics properties in Chengdu & Wuhan (the “Portfolio”) 2) Formation of an operating manager joint venture (50/50) with Goodman Group
Total gross leasable area	531,000 sqm.
Total consideration	RMB2,290M / HK\$2,663M
Aggregate gross revenue (for the year ended 31 Dec 2021)	Over RMB100M



Tapping the Burgeoning Logistics Sector in Central & Western Logistics Hubs

1 Quality and modern warehouses in locations with robust demand

- Brisk economic growth of Chengdu and Wuhan fuels logistics demand
- Superior location of warehouses warrants demand and rental growth
- Best in class properties developed by global market leader, consistent outperformance in rent and occupancy since completion supported by a diversified tenant portfolio with a mix of blue-chip tenants which include MNCs, e-commerce giants and top logistics players in the industry

2 Attractive return to enhance shareholders' value with immediate AOP and cash flow contribution + growth prospect

- Expected IRR in line with Group's target for new investment
- Providing IMMEDIATE AOP contribution and cash flow to the Group (with 90% average occupancy for operational assets)
- Property under development expect to come online around end of June 2022 and land set to provide further growth potential

3 Facilitate the building of ecosystem within Logistics segment

- Synergies are expected to be formed with other asset and business within Logistics segment, such as ATL, CUIRC and modern logistics, and benefitting the whole segment going forward

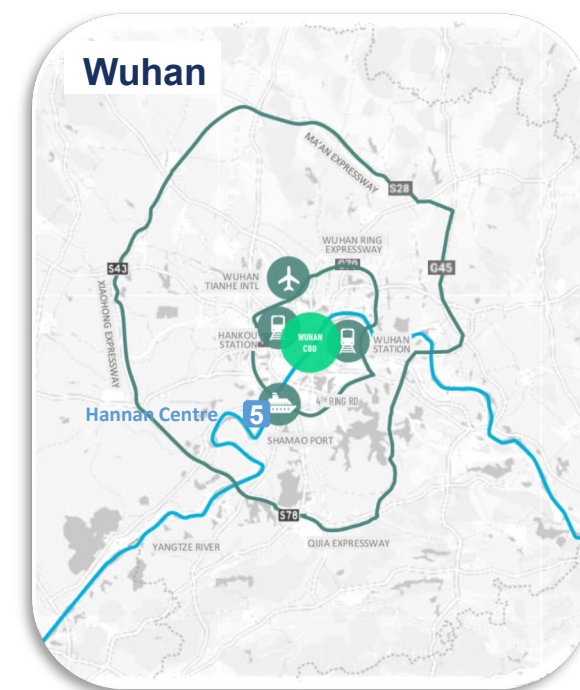
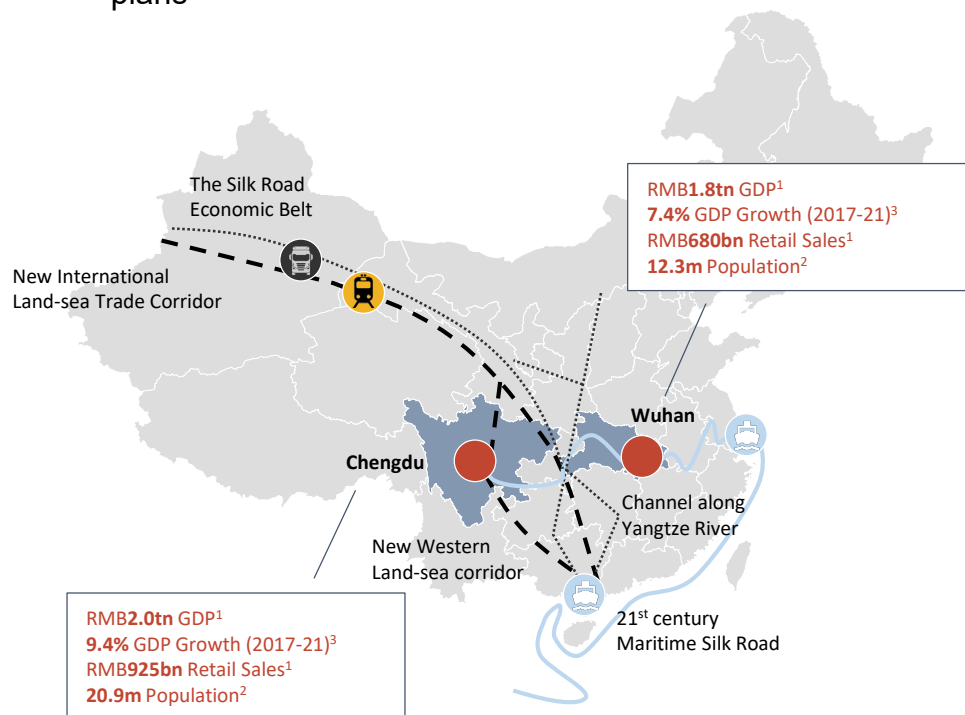
4 An important step for NWS' development in Logistics segment

- The 50/50 Operating Manager JV with Goodman facilitates potential collaboration and future cooperation opportunities in the Mainland
- Facilitate NWS in developing its own operation team and expertise in the Logistics segment in the Mainland

High-quality Sizeable Acquisition Opportunity

✓ Sizeable portfolio in strategic locations – Chengdu & Wuhan

- Chengdu and Wuhan have high economic and consumption growth and are important logistics hubs on new international land-sea trade corridor
- The 5 properties in Chengdu and 1 property in Wuhan have close proximity to established road, rail, air and sea transportation nodes
- The 5 properties collectively ranked 5th in market share in Chengdu in terms of GLA, assuming the properties are fully completed according to current development plans



Sources: CBRE, CEIC Data

Note:

1. As of 2021
2. As of 2020
3. Average growth rate

High-quality Sizeable Acquisition Opportunity (cont'd)

✓ Premium logistics properties with good operational metrics



90%+ average occupancy rate¹



3.1 yrs weighted average lease expiry¹



64% single level
36% double level with ramp access



Three assets with **cross-docking** features



Typical **9.5-10.5m** net ceiling height with potential for automation



Sustainability features incl. **LED lighting**, **rainwater reuse** and **roof safety system**



Single Level Warehouse



Ramp Access to Double Level



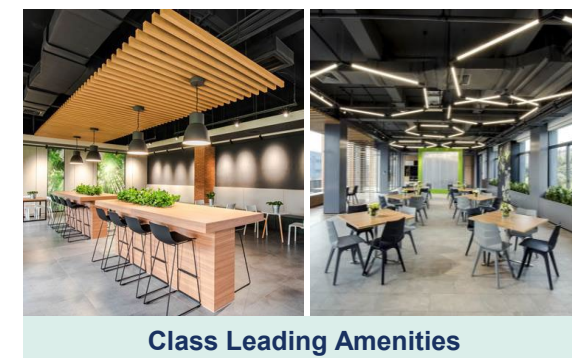
Efficient Vehicular Access



High Ceiling



Potential for Automation



Class Leading Amenities

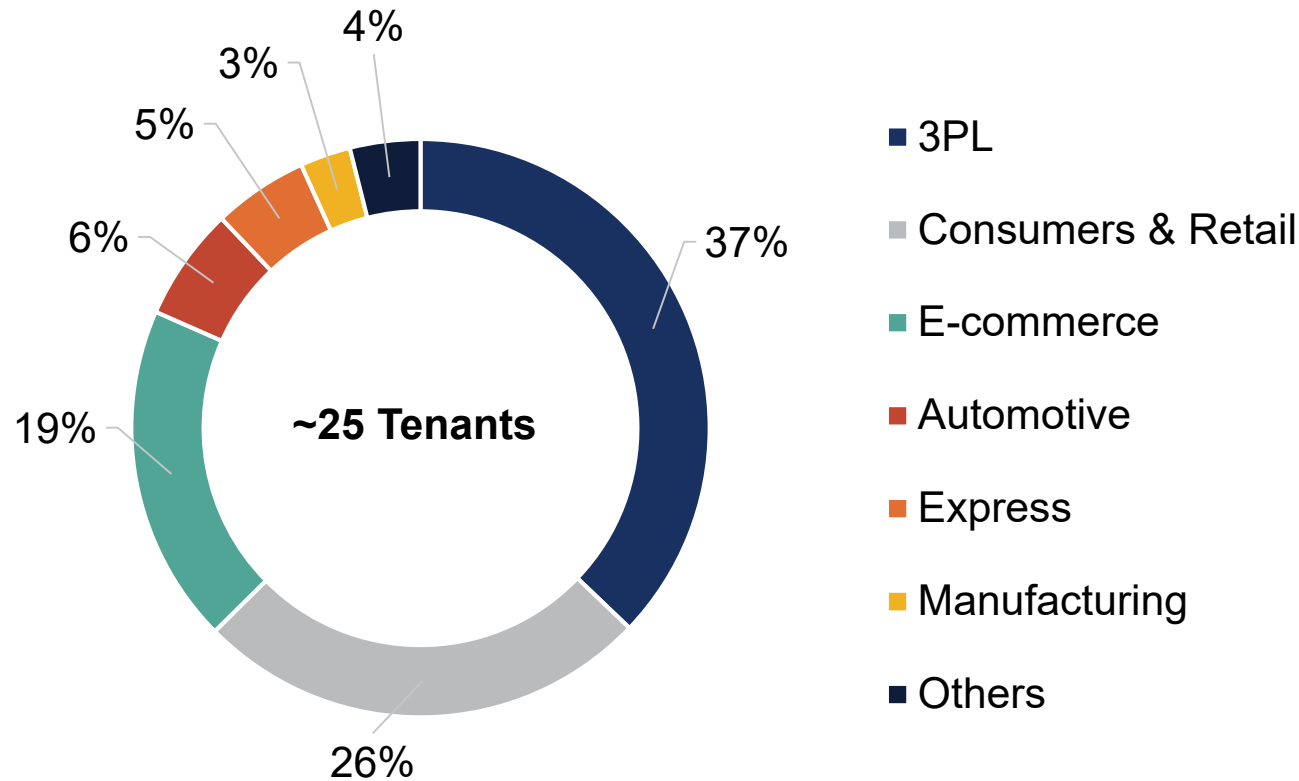
Note:

1. Completed assets as of 31 March 2022

High-quality Sizeable Acquisition Opportunity (cont'd)

✓ Diversified mix of blue-chip tenants

Breakdown by Tenant Industry¹



Featuring anchor tenants from a diverse range of leading retail, e-commerce and logistics companies



Note:
1. Tenancy as of 1 April 2022 by GLA

Overview of the Portfolio



Chengdu Airport Logistics Centre

City	Chengdu
Completion year	2019
GLA (sqm)	53,042
Land Tenure Remaining (years)	41
Specifications	Double-storey with ramp



Longquan Logistics Centre

City	Chengdu
Completion year	2018
GLA (sqm)	77,783
Land Tenure Remaining (years)	41
Specifications	Single-storey

Overview of the Portfolio (Cont'd)



Xindu North Industrial Park

City	Chengdu
Completion year	2016
GLA (sqm)	71,413
Land Tenure Remaining (years)	42
Specifications	Single-storey



Xinjin Logistics Centre

City	Chengdu
Completion year	2018
GLA (sqm)	67,310 (Total) 27,599 (Completed) + 39,711 (Land)
Land Tenure Remaining (years)	42 / 44
Specifications	Single-storey

Overview of the Portfolio (Cont'd)



Xindu Logistics Centre

City	Chengdu
Completion year	Est. end of June 2022
GLA (sqm)	92,756
Land Tenure Remaining (years)	47
Specifications	Double-storey with ramp



Hannan Logistics Park

City	Wuhan
Completion year	2016-2021
GLA (sqm)	169,153
Land Tenure Remaining (years)	42
Specifications	Single-storey

Chengdu and Wuhan – Robust Demand for Logistics Properties

- Strong demand for logistics properties in the Mainland driven by modernizing logistics services, evolving manufacturing industry, high e-commerce penetration and shift to consumption-driven economy; while supply remains limited especially for Grade A properties in prime locations
- Benefitting from the Belt and Road Initiatives and economic boom, key cities in Western region of the Mainland including Chengdu and Wuhan have been leading economic growth in the Mainland in recent years

Chengdu

7th Rank in the Mainland
in terms of GDP

Superior fundamentals:

- Excellent connectivity and infrastructure
- Proliferation of industrial and manufacturing activities

Our properties are all located in major logistics submarkets in Chengdu

Major players incl. GLP, ESR, Prologis and Mapletree also have foothold in various submarkets in Chengdu



Wuhan

9th Rank in the Mainland
in terms of GDP

Solid manufacturing base and improved infrastructure and connectivity

Hannan is a logistics hub in southern Wuhan with increasing demand. Major logistics properties operators including GLP and CNLP also have foothold in Hannan

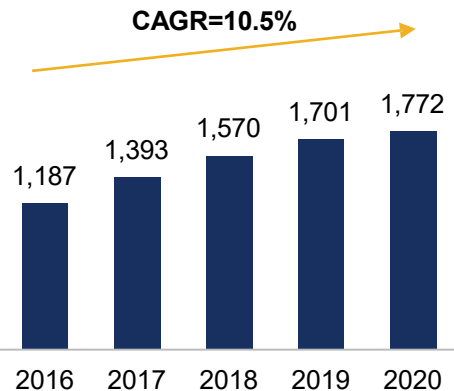


Market overview

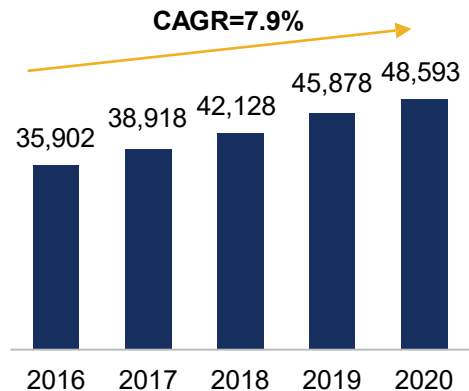
Chengdu

- Chengdu's economic growth is ahead of most cities in Western region of the Mainland. Steady increase in disposable income and consumption expenditure in Chengdu drives e-commerce growth, fuelling the development of logistics industry
- New supply has been continuously digested thanks to the strong demand for logistics space

Chengdu – GDP (RMB bn)



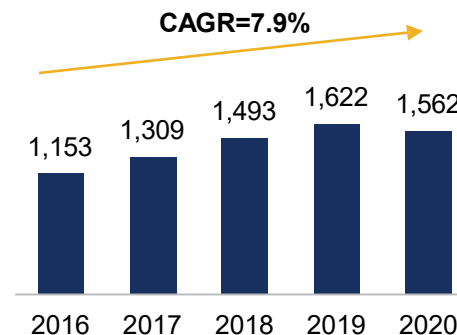
Chengdu – Per capita disposable income of urban households (RMB)



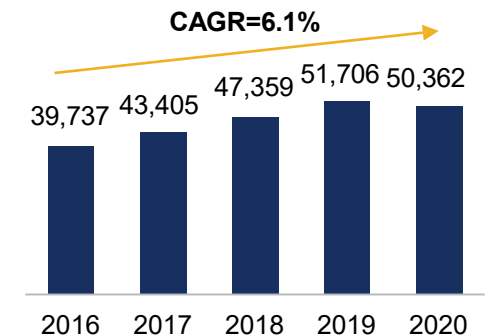
Wuhan

- Located at the juncture of Han River and Yantze River, Wuhan is the capital city of Hubei Province and the most populous city in Central region of the Mainland
- Wuhan achieved a robust GDP growth of 12% p.a. from 2016 to 2019. Although the city experienced a one-off economic shock during the COVID-19 outbreak in 2020, its economy recovered strongly thanks to the effective COVID-19 containment measures

Wuhan – GDP (RMB bn)



Wuhan – Per capita disposable income of urban households (RMB)





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Thank You



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