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## **INSIDE INFORMATION**

### **NOTICE OF THE MINISTRY OF TRANSPORT OF THE PRC ON TOLL FEE EXEMPTION FOR TOLL ROADS IN THE PRC DURING THE PERIOD OF PREVENTION AND CONTROL OF THE NOVEL CORONAVIRUS DISEASE**

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO and Rule 13.09(2) of the Listing Rules.

On 15 February 2020, the Ministry of Transport issued the Notice on the implementation of the Toll Fee Exemption which takes effect from 0:00 a.m. on 17 February 2020. The Toll Fee Exemption applies to all vehicles that travel on toll roads (including toll bridges and tunnels) in the PRC that have been constructed pursuant to approval granted under the Highway Law of the People's Republic of China and the Regulations on the Administration of Toll Roads of the PRC.

Based on the information available as of the date of this announcement, it is expected that the overall actual financial impact of the Toll Fee Exemption on the Group's toll road business in the PRC will be subject to the duration of the Exemption Period and related ancillary protective policies. Whilst it is expected that the Toll Fee Exemption will inevitably have an immediate impact on the results of the Roads segment of the Group, the Board currently does not expect the Toll Fee Exemption to have a significant impact on the overall operations of the Group in the long term.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made by NWS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2) of the Listing Rules.

On 15 February 2020, the Ministry of Transport (the “**Ministry of Transport**”) of the People’s Republic of China (the “**PRC**”) issued a notice (the “**Notice**”) to all levels of the PRC governments, the National Development and Reform Commission, the Ministry of Finance, the People’s Bank of China, the State-owned Assets Supervision and Administration Commission of the State Council, the China Banking and Insurance Regulatory Commission and the China Securities Regulatory Commission on the implementation of toll fee exemption for vehicles on all toll roads in the PRC during the period of the prevention and control of the novel coronavirus disease as approved by the State Council of the PRC (the “**Toll Fee Exemption**”). The Toll Fee Exemption takes effect from 0:00 a.m. on 17 February 2020 and until the end of the prevention and control measures taken by the PRC Government over the novel coronavirus disease, with exact timing to be announced later by the PRC Government (the “**Exemption Period**”).

The Toll Fee Exemption applies to all vehicles that travel on toll roads (including toll bridges and tunnels) in the PRC that have been constructed pursuant to approval granted under the Highway Law of the People’s Republic of China and the Regulations on the Administration of Toll Roads of the PRC.

In addition, the Notice states that certain ancillary protective policies will be implemented to strengthen the coordination and leadership of work relating to the Toll Fee Exemption, and to ensure the smooth traffic flow on and operation of toll roads. In accordance with the publications on the official website of the Ministry of Transport, in line with the requirements of relevant laws and regulations, the PRC Government will issue the ancillary protective policies to safeguard the legitimate interests of the users, creditors, investors and operators of toll roads in a coordinated manner.

As of the date of this announcement, the Roads segment of the Group comprises 15 road projects in the PRC with a total length of approximately 740 km. For the six months ended 31 December 2018, the attributable operating profit (“**AOP**”) of the Group from the Roads segment was HK\$948.5 million, which represented approximately 39% of the total AOP of the Group of HK\$2,431.9 million for the same period. For the financial year ended 30 June 2019, the AOP of the Group from the Roads segment was HK\$1,805.5 million, which represented approximately 38% of the total AOP of the Group of HK\$4,707.4 million (the results of the Group’s Insurance segment was not included as the acquisition of the entire interest of FTLife Insurance Company Limited by the Group was completed in November 2019) for the same financial year.

Based on the information available as of the date of this announcement, it is expected that the overall actual financial impact of the Toll Fee Exemption on the Group's toll road business in the PRC will be subject to the duration of the Exemption Period and related ancillary protective policies. Whilst it is expected that the Toll Fee Exemption will inevitably have an immediate impact on the results of the Roads segment of the Group, the board of directors of the Company (the "**Board**") currently does not expect the Toll Fee Exemption to have a significant impact on the overall operations of the Group in the long term. In view of the healthy financial position and cashflow of the Group, it is expected that the Company will maintain its existing sustainable and progressive dividend policy.

The Company will monitor the implementation of the Toll Fee Exemption and related ancillary protective policies when more details are announced and notified by the relevant PRC government authorities to assess further the likely impact on the performance of its Roads segment. The Company will make further announcement(s) as and when necessary under the Listing Rules and the SFO.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Dr. Cheng Kar Shun, Henry**  
*Chairman*

Hong Kong, 17 February 2020

*As at the date of this announcement, (a) the executive directors of the Company are Dr. Cheng Kar Shun, Henry, Mr. Ma Siu Cheung, Dr. Cheng Chi Kong, Adrian, Mr. Cheung Chin Cheung, Mr. Cheng Chi Ming, Brian, Mr. Ho Gilbert Chi Hang and Mr. Chow Tak Wing; (b) the non-executive directors of the Company are Mr. To Hin Tsun, Gerald, Mr. Dominic Lai, Mr. Tsang Yam Pui, Mr. Lam Wai Hon, Patrick and Mr. William Junior Guilherme Doo; and (c) the independent non-executive directors of the Company are Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher, The Honourable Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Fung Wai Chi, Grace and Mr. Wong Kwai Huen, Albert.*

*\* For identification purposes only*