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## **INSIDE INFORMATION ANNOUNCEMENT**

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) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (“**Shareholders**”) and potential investors that based on the information currently available to the Company and as a result of the ongoing COVID-19 situation around the world and market conditions, there have been significant impacts on the Group’s overall financial results and details of the major impacts are set out as follows:

- (i) no toll fee was collected for the toll roads and expressways operated by the Group in the People’s Republic of China (the “**PRC**”) during the period from 17 February to 5 May 2020 due to the measures imposed by the Ministry of Transport of the PRC and as such, there was significant drop in the contribution from the Roads segment of the Group. Please refer to the announcements issued by the Company on 17 February and 29 April 2020 in relation to the toll fee collection for further details;
- (ii) the operational environment for the Transport segment of the Group has been difficult as the ridership for local bus services has substantially reduced due to various COVID-19 precautionary measures undertaken by the general public, the revenue contribution is expected to be significantly reduced in the second half of the financial year ending 30 June 2020; and

- (iii) persistent travel restrictions and prohibition on group gathering have resulted in a significant decline in revenue contribution from the Facilities Management segment of the Group, the decline was attributed mainly to (a) the cancellation or postponement of exhibitions and conferences, which were scheduled to be held at the Hong Kong Convention and Exhibition Centre, (b) the food and beverage business of the Hong Kong Convention and Exhibition Centre was severely affected and (c) most of the duty free shops of the Group have been closing since late January or early February 2020 during closure of borders which seriously affected the revenue of Free Duty's business.

Whilst the business and operation of the Construction segment and Insurance segment of the Group have been relatively less affected with steady income, which provide a certain degree of stabilising factor to the overall financial performance and condition of the Group.

In view of the current COVID-19 situation, low interest rate and adverse economic environment, there may be potential declines in valuation of certain investments and financial instruments of the Group and certain provisions or impairments may be required for the Group's various business segments. Shareholders and potential investors may be aware of some or all the abovementioned circumstances from publicly available information. However, the Company considers it prudent to draw the attention of the Shareholders and potential investors to the combined impact of those circumstances and the potential effect on the Group's forthcoming financial performance. Subject to market conditions and if the foregoing circumstances affecting the Group's financial performance continue for the remainder of the fourth quarter of the financial year ending 30 June 2020, the Company currently expects that this could collectively result in a significant reduction in the Group's profit attributable to shareholders for the financial year ending 30 June 2020, as compared to the financial year ended 30 June 2019.

Notwithstanding the above adverse impact on the business and operations of the Group, in view of the present cash position of the Group and that there are more than HK\$14 billion unutilized committed banking facilities available to the Group, it is expected that the Group's liquidity and cashflow will remain healthy and sound, providing the fundamentals for the Group to continue to combat the difficult market and business situations resulting from the unprecedented COVID-19 pandemic. In view of the above, it is expected that the Company will maintain its existing sustainable and progressive dividend policy.

The information contained in this announcement only represents a preliminary assessment based on the information made available to the Board as at the date hereof and such information has not been reviewed or audited by the independent auditors of the Company or reviewed by the Audit Committee of the Company.

**Shareholders 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, 19 June 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*