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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 the shareholders of the Company and potential investors that, the Board has conducted a review and assessment on certain of the Group’s non-controlling businesses and investments in light of the Group’s strategy as well as the market conditions due to COVID-19. Based on this review, it is currently expected that certain non-operating remeasurement, impairments and provisions will be made to the financial statements of the Group for the six months ended 31 December 2020 (the “**Current Period**”), including: (i) the reclassification of an investment of the Group to an asset held-for-sale and the resultant remeasurement loss based on fair value as determined by the Board; (ii) the share of assets impairment and provision for expected credit loss from the Group’s investment in a joint venture of which similar impairments and provisions had been made for the financial year ended 30 June 2020; and (iii) the loss associated with the disposals as announced by the Company on 12 January 2021. Due to such impacts, it is currently expected that, despite an expected increase of over 40% in the attributable operating profit of the Group for the Current Period as compared with the interim results for the six months ended 31 December 2019 (the “**Previous Period**”), there will be a significant decrease in the profit attributable to shareholders of the Company in the range of 55% to 65% for the Current Period as compared with the Previous Period.

The Company would like to add that, notwithstanding the above expected non-operating remeasurement, impairments and provisions, the business fundamentals and liquidity of the Group remain strong and sound in view of the expected increase in attributable operating profit of the Group for the Current Period over the Previous Period, the present cash position of the Group as well as having more than HK\$18 billion unutilized committed banking facilities available to the Group. It is also 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 auditor of the Company or reviewed by the Audit Committee of the Company. The Company is still in the process of finalizing its unaudited interim results for the Current Period, which are expected to be announced by the Company by the end of February 2021.

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, 29 January 2021

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, Mr. Chow Tak Wing and Mr. Cheng Chi Leong, Christopher; (b) the non-executive directors of the Company are Mr. To Hin Tsun, Gerald, Mr. Dominic Lai and Mr. William Junior Guilherme Doo (alternate director to Mr. William Junior Guilherme Doo: Mr. Lam Wai Hon, Patrick); 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*