

August 4, 2022

Mr. Gilbert Ho
Executive Director and Chief Operating Officer
28/F New World Tower,
18 Queen's Road Central,
Hong Kong

Dear Mr. Ho,

We hope this letter finds you and NWS ("the Company") well! We have been encouraged by the Company's corporate activities: from acquiring new toll roads and warehouses to strengthening its income stream; divesting its aircraft leasing business to recycling capital; tendering an offer to buy back its senior note to lower financing expense; and last but not least, announcing a share buyback program to increase shareholder value. As a long-term investor, we would like to make several suggestions that could enhance shareholder value even further:

1. Becoming the top infrastructure conglomerate in the Greater Bay Area (GBA)

We highly encourage the Company to prioritize its future opportunities in the GBA because it has the best potential to be the leading Hong Kong-based infrastructure conglomerate in the region.

In the 25th anniversary Hong Kong homecoming speech given by President Xi Jinping this month, he clearly stated that "the central government fully supports Hong Kong in its effort to maintain its distinctive status and edge: to improve its presence as an international financial, shipping and trading centre; to keep its business environment free, open and regulated; and to maintain the common law, so as to expand and facilitate its exchanges with the world."

After reviewing all Hong Kong-listed companies, we identified NWS as the one and only infrastructure conglomerate that can distinctively achieve such a vision for Hong Kong. Moreover, policies from the 2019 Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area also greatly support the Company's various business segments. Given its edge in insurance, logistics, facilities management, toll roads and construction, we highly recommend the Company to review its strategic vision to provide a clear direction for management as well as its stakeholders.

2. Quarterly dividend payment

There are fewer than 10 Hong Kong-listed stocks that pay dividends quarterly. As the Company is viewed by investors as a stable infrastructure conglomerate, its stock can certainly attract more institutional and retail investors if it offers quarterly dividend payments. At the same time, this will also benefit its parent company, New World Development Co. Ltd. Therefore, we highly recommend the Company to consider such a scheme.

3. Potential collaboration to support Hong Kong

The Company has recently initiated the Sustainability Vision 2030 (SV2030). Caring is one of the four priority pillars, with the objective to nurture our community and culture. Chartwell has been working closely with a few leading non-profit organizations in Hong Kong on youth development. We would like to introduce these organizations to you in the hope of collaborating site visits or career talks. Should you be keen to engage, we are happy to send you more details.

Please contact us if you have any questions. Thank you for your attention.

Yours sincerely,



Ronald Chan

Chief Investment Officer

Chartwell Capital Limited



Evan Ng

Head of Trading / Senior Analyst

Chartwell Capital Limited