

24 November 2020

Mr Ronald W. Chan  
Chief Investment Officer  
Chartwell Capital Limited  
Room 1702, New World Tower  
18 Queen's Road Central  
Hong Kong

Dear Ronald,

Thank you for your letter dated 9 October, 2020. We very much appreciate your suggestions to help NWS in creating a sustainable and long-term value for our shareholders.

At NWS, we remain committed to providing timely information, improving our disclosures and promoting further transparency. Further to our previous discussion and following through on our corporate strategy, we will continue to divest non-core assets, recycle capital for better return and growth, in turn to further unlock and create shareholders' value. On the ESG front, incorporating ESG as part of our long-term corporate strategy is something that we have been actively working on for a more sustainable future and as a responsible corporate. In terms of ESG disclosures, we aim to provide more ESG data to uphold our standard and to facilitate stakeholders' understanding of our ESG development.

We are grateful for your ideas on further development of NWS and I would like to take this opportunity to share more thoughts on these matters:

1. Increase shareholder value through share buybacks, special dividends or debt reduction

Your suggestion is much appreciated. We will give serious consideration on what would be the best option for us and our shareholders. We are considering it in conjunction with our overall capital deployment strategy to maximize shareholders' value and build a sustainable and long term growth for NWS. Given the uncertainties looming re COVID, we are also mindful of capital preservation for prudent risk management purposes.

**新創建集團有限公司 NWS HOLDINGS LIMITED**  
(Incorporated in Bermuda with limited liability)

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# 新創建 NWS

## 2. Further promote core insurance business in the market

We share the same thoughts on the intrinsic value and growth potential of FTLife. Your view on the subdued valuation is shared with all the research analysts that cover NWS, and very much echoed by the JP Morgan's initiation research report issued in early October. We will continue to further educate the investor community on FTLife and articulate our strategy going forward.

We have recently hosted our first investor workshop/webinar with FTLife's management in mid-October to facilitate effective exchange of views and ideas between them. Moreover, a brand refresh campaign was launched in early September to strengthen the brand linkage between FTLife, NWS and the New World Group. We are planning to roll out more new products in November and more marketing campaigns later this year and in 2021.

## 3. Increase investor exposure and narrowing conglomerate discount

In the past few months, we have been actively participating in various banks/brokers organized investor conferences to further communicate our corporate strategy and recent developments, such as our rapid business recovery from COVID, our sustainable and progressive dividend policy, continuous streamlining of our businesses and the defensive nature of our core businesses. Hopefully that will reinforce our investors' understanding of NWS business and equity story, and in turn narrowing our conglomerate discount.

Thank you again for your meaningful input and we count on you as always. Should you have any questions, please do not hesitate to contact Mr Ben Wong, Director of Corporate Development and Investment, at [benwong@nws.com.hk](mailto:benwong@nws.com.hk) or 2131 6906 and myself.

Sincerely,

Gilbert Ho

Executive Director

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