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IWS Group Holdings Limited
國際永勝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8441)

POSITIVE PROFIT ALERT

This announcement is made by IWS Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 and the information currently available to the Board, net profit of the Group and profit attributable to owners of the Company for the six months ended 30 September 2020 are expected to record an increase of not less than HK\$30.0 million or 250.0% as compared with the respective figures for the six months ended 30 September 2019. Based on the information currently available, the Board considers the aforesaid expected increase in the net profit of the Group and profit attributable to owners of the Company for the six months ended 30 September 2020 is principally due to the net effect of (i) decrease in revenue derived from general security services segment, representing a decrease of not more than HK\$14.0 million or 8.0% as compared with the respective figures for the six months ended 30 September 2019 due to the combined effect of (a) an increase in revenue derived from the manpower support services by not less than HK\$28.0 million mainly attributable to provision of manpower at the deep throat saliva specimen collection centres and deep throat saliva specimen collection and delivery services (the “**Collection and Delivery Services**”) and (b) a decrease in revenue derived from the general manned guarding services by not more than HK\$43.0 million primarily due to decrease in revenue derived from the ongoing Guangshengang XRL Contract (“**XRL Contract**”) with a Hong Kong railway corporation due to the temporary suspension of Hong Kong West Kowloon Station in view of the measures to contain the COVID-19 outbreak; (ii) the increase in administrative expenses by not more than HK\$7.0 million mainly due to transportation expenses incurred for the

provision of the Collection and Delivery Services; (iii) the decrease in non-recurring listing expenses of approximately HK\$6.0 million; and (iv) the decrease in employee benefit expenses by not more than HK\$48.0 million mainly due to the combined effect of the decrease in total headcount for the XRL Contract and government grants from the Employment Support Scheme of approximately HK\$25.9 million resulting in compensation for employee benefit expenses being deducted from the employee benefit expenses for the six months ended 30 September 2020.

As the Company is still in the course of finalising its results for the six months ended 30 September 2020, the information contained in this announcement is only based on the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 and other information currently available to the Board, which have neither been audited by auditors of the Company nor reviewed by the audit committee of the Company and is subject to possible adjustments. Details of the financial information and performance of the Group for the six months ended 30 September 2020 will be disclosed in the interim results announcement of the Company for the six months ended 30 September 2020, which is expected to be published on 6 November 2020.

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

By Order of the Board
IWS Group Holdings Limited
Ma Ah Muk
Executive Director and Chairman

Hong Kong, 2 November 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Ma Ah Muk, Mr. Ma Kiu Sang, Mr. Ma Kiu Mo, Mr. Ma Kiu Man, Vince and Mr. Ma Yung King, Leo; and the independent non-executive Directors of the Company are Dr. Ng Ka Sing, David, Ms. Chang Wai Ha and Mr. Yau Siu Yeung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the Company’s website at <http://www.iws.com.hk>.