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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)

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO
CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF THE MASTER SERVICES AGREEMENT**

Reference is made to the announcement of IWS Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 22 December 2021 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company would like to provide further details regarding the pricing policy and mechanisms in relation to the New Master Services Agreement.

**PRICE POLICY AND MECHANISMS IN RELATION TO THE CONTINUING
CONNECTED TRANSACTIONS**

As set out in the Announcement, the service fees receivable by the Group from the Ma Companies under the New Master Services Agreement (the “**Fees**”) are determined on a cost-plus basis with no material difference as compared to the Group’s other Independent Third Party customers. The Group estimated the costs primarily comprising (i) the labour costs and overhead costs with reference to the urgency of the intended timetable, location, complexity of the work or services, estimated time to be spent on the preparation of work or services and any factors affecting the supply of manpower; (ii) the number of full-time and casual employees required and their salaries; and (iii) the potential impact of change in statutory minimum wage pursuant to the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong) from time to time and inflation. After working on an estimated cost,

the Group then determined on a profit margin to be charged with reference to the then prevailing margin charged by the Group to Independent Third Parties for comparable services, which such profit margin shall be not less than 10% for security services and 8% for facility management services.

Internal control measures

In order to ensure the Fees are no less favourable than terms available to Independent Third Party customers, the Group shall adopt the following procedures for reviewing and approving these Fees from time to time:

1. the relevant personnel from the finance departments of the Company will closely examine the Fees and compare them with the services fees available to Independent Third Party customers (including the profit margin adopted) and will report their findings to the management of the Company on a monthly basis;
2. the management of the Company will monitor closely factors affecting the estimation of cost for providing the Services to the Ma Companies, including but not limited to the prevailing market conditions, supply of manpower, relevant laws and regulations relating to labour, etc., and update the estimated cost in each individual transaction under the New Master Services Agreement from time to time;
3. the setting of Fees as a clause contained in each individual transaction shall be subject to the examination and approval from the management of the Company; and
4. the management of the Company shall regularly review and consider the historical average price of similar services provided to Independent Third Party customers in order to ascertain whether the mark-up in the Fees is on normal commercial terms and on terms no less favourable than terms available to Independent Third Party customers on a monthly basis.

Save as disclosed above, all other information and contents set out in the Announcement remain unchanged and shall continue to be valid for all purposes. This supplemental announcement is supplemental to, and should be read in conjunction with the Announcement.

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

Hong Kong, 29 December 2021

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 of the Company 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 of the Company, 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>.