



Our reference: #560

17 July 2025

IWS PROMOTION LIMITED

8 Chun Cheong Street,
Tseung Kwan O Industrial Estate,
New Territories,
Hong Kong

Attention: Mr. Gerry Lam

Dear Sirs,

IWS PROMOTION LIMITED

Acceptance of Offer to Surrender – Subsection 3 of Section S of Tseung Kwan O Town Lot No. 39 and Extensions Thereto (the “**said land**”) and the building(s) (the “**said building(s)**”) erected thereon (collectively, the “**Premises**”)

We refer to your letter dated 30 April 2025 offering to surrender the Premises held by you under the Lease dated 21 March 2017 (the “**Lease**”, which expression shall include any subsequent variation and/or modification thereof) to the Hong Kong Science and Technology Parks Corporation (the “**Corporation**”).

It is noted that your offer to surrender was not made in pursuance of the surrender mechanism under the Lease. That said, please be informed that the Corporation has accepted the surrender of your Lease of the Premises, subject to the following terms and conditions:-

SURRENDER OF THE PREMISES

1. The transaction shall be completed by way of a surrender of the Lease on or before 30 April 2026 or such other date as may be agreed by the Corporation in writing (the “**Surrender Date**”) whereupon you shall:-
 - (a) execute under common seal a Deed of Surrender in the Corporation’s prescribed form and you shall solely bear and pay for all costs including the Corporation’s solicitors’ fees and disbursements (including but not limited to registration fee and stamp duty) for and incidental to the preparation and execution of the said Deed of Surrender and other related or ancillary documents; and



- (b) quietly vacate and yield up to the Corporation vacant possession of the Premises free from encumbrances, together with (subject to paragraph 2 below) the installations and fixtures therein (including electrical, air-conditioning, fire-protection installations and fixtures, lifts and ancillary engineering installations, but excluding any machinery equipment and accessories for your manufacturing or trade purposes) or as otherwise required or directed by the Corporation at its absolute discretion, in good and substantial repair and conditions (fair wear and tear excepted) to the satisfaction of the Corporation.
2. You shall on or before the Surrender Date (I) carry out and complete all the reinstatement works of the Premises (collectively, the “**Reinstatement Works**”) and (II) submit to the Corporation all the building plans and certificates (collectively, the “**Building Plans and Certificates**”) and you shall have no claim and demands whatsoever against the Corporation and/or any future lessee of the Premises in relation to the use of the same in whatever manner (which Reinstatement Works and Building Plans and Certificates are respectively listed and described in Part 1 and Part 2 of the **Appendix** hereto), at your own cost to the satisfaction of the Corporation.
 3. Upon demand in writing made by the Corporation, you shall on or before the Surrender Date at your own expense submit to the Corporation for record a copy of any environmental permit or licence issued by the Environmental Protection Department in connection with the Premises and any other ancillary documents, including but not limited to those set out in Part 3 of the **Appendix** hereto, to the satisfaction of the Corporation.
 4. You shall on or before the Surrender Date at your own expense return all dangerous goods licences and permits in respect of the Property granted to you under the Dangerous Goods Ordinance (Cap. 295) to the Fire Services Department or other appropriate licensing authority(ies) for cancellation thereof, and supply to the Corporation documentary proof of such cancellation to the Corporation’s satisfaction.
 5. You shall indemnify the Corporation against any cost, expense, liability, loss, claim or proceedings or demands whatsoever arising out of (i) any contamination (including but not limited to soil and groundwater contamination) to the Premises and to the adjacent land or any building(s) or structure(s) thereon in connection with the occupation, use of or activities conducted on the Premises by you, (ii) any latent inherent and structural defect of the Premises, or (iii) any structure, erection, construction or building work (including minor work) in the Premises which is unauthorized or illegal or in any way



diverges or deviates from any plan approved by the Building Authority. For the avoidance of doubt, this paragraph shall survive completion of the surrender.

- 5A. Without prejudice to paragraph 5 above, you shall at your own expense and in all respects to the satisfaction of the Corporation engage an independent consultant to carry out and complete a soil and ground contamination assessment in respect of the Premises and submit a written report to the Corporation at least THREE (3) months (or such other period as specified by the Corporation) prior to the delivery of vacant possession of the Premises to the Corporation. The said assessment report shall be prepared in accordance with the latest guides published by the Environmental Protection Department of Hong Kong (EPD). Specifically, reference shall be made to the “*Practice Guide for Investigation and Remediation of Contaminated Land*”, the “*Guidance Note for Contaminated Land Assessment and Remediation*”, and the “*Guidance Manual for Use of Risk-Based Remediation Goals for Contaminated Land Management*”. A Hong Kong Laboratory Accreditation Scheme (HOKLAS) accredited testing laboratory shall be appointed to conduct chemical analysis for the soil and groundwater samples. All laboratory test methods shall be accredited by the HOKLAS or one of its Mutual Recognition Arrangement Partners. For the avoidance of doubt, this paragraph shall survive completion of the surrender.
6. Without prejudice to paragraphs 5 and 5A above, upon demand in writing made by the Corporation before or after the Surrender Date, you shall at your own expense and in all respects to the satisfaction of the Corporation carry out and complete, in such manner as the Corporation shall specify, such soil and groundwater decontamination or other works as shall be required by the Corporation to the Premises and (where access is available) to any adjacent or neighbouring land or any building or buildings or structure thereon (whether on, above or below ground level). For the avoidance of doubt, this paragraph shall survive completion of the surrender.
7. It is hereby acknowledged and agreed by you that no monetary consideration or compensation or payment whatsoever shall be payable or provided or made by the Corporation for your surrender of the Premises or the early determination of the Lease.
8. You shall before the Surrender Date show to the satisfaction of the Corporation that :-
- (a) you have good right to surrender the Lease and the Premises free from all encumbrances; and
 - (b) you have duly paid all management and maintenance charge, rates, government rent, property tax (if any) and other charges and outgoings of an annual or recurring nature



payable in respect of or attributable to the Premises, failing which you shall deposit with the Corporation, before completion of the surrender, such amount as may be required by the Corporation as security for such payment.

9. After your execution of this letter and before completion of the surrender, the Corporation, its servants, agents, prospective clients or lessees or tenants and all other persons duly authorised by the Corporation shall have the right, with or without workmen or others and with or without appliances or equipment, by prior notice (except in case of emergency) to enter upon the Premises or any part thereof to inspect the Premises, to view the state and condition of the Premises and to show the Premises to prospective clients or lessees or tenants.
10. Save as provided otherwise herein, the Lease shall remain in full force and you shall continue to observe perform and comply with all the terms and conditions and stipulations on your part to be observed performed and complied with under or referred to in the Lease and shall not be released from such obligations and/or liabilities until the parties' execution of the said Deed of Surrender in accordance with the terms and conditions hereof.
11. All risks in respect of or relating to the Premises shall remain with and borne by you until the parties' execution of the said Deed of Surrender in accordance with the terms and conditions hereof.
12. Upon completion of the surrender, you shall release the Corporation from all obligations liabilities claims and demands whatsoever whether already accrued or otherwise in respect of or under any of the stipulations covenants and conditions contained in or otherwise arising under the Lease, and the Corporation shall release you from all your liabilities arising from or in connection with your under-utilization of the Premises as referred to in the Corporation's letter to you dated 3 July 2024.
13. The provisions of this letter shall not preclude the Corporation from obtaining an order for specific performance and it is hereby acknowledged and agreed by you that an order for damages would not be a fair or adequate remedy to the Corporation where you have failed to surrender the Lease and the Premises in accordance with the terms and conditions herein contained and you shall waive any defence to the granting of an order for specific performance.
14. You shall bear and pay for all costs including the Corporation's solicitors' fees and disbursements (including but not limited to all adjudication fees, stamp duties and



registration fees payable on this letter and its duplicate, if any) for and incidental to the preparation and execution of this letter, and the same shall be payable immediately upon the Corporation's demand.

15. Notwithstanding anything herein contained to the contrary, surrender of the Premises herein contemplated shall be subject to you having obtained the approval of the shareholders of your parent company, namely Integrated Wasted Solutions Group Holdings Limited (whose shares are listed on The Stock Exchange of Hong Kong Limited (the "**HKEX**") with stock code 923) in compliance with the requirements of Chapter 14 of the Rules Governing the Listing of Securities on the HKEX on or before the Surrender Date, failing which either party shall be entitled to treat this letter as void *ab initio* (i.e. void from the beginning) and rescind this letter by giving a written notice to the other party. In such event, you shall continue to observe and perform all the covenants terms and conditions of and in the Lease until expiration thereof, but all the Corporation's legal costs and other disbursements (if any) that have been or may be incurred shall still be borne by you solely.
16. Any provision of this letter which is required to be or is capable of being performed by you after but which has not been performed at or before completion of the surrender shall remain in full force and effect notwithstanding completion of the surrender.
17. The parties hereto do not intend any term of this letter to be enforceable by any person, firm, company or corporation who is not a party to this letter pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap. 623) (the "**CRTPO**") and agree that this letter shall be excluded from the application of the CRTPO.

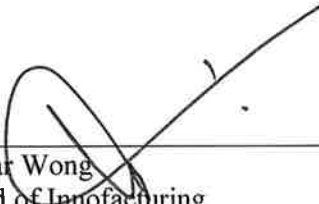


Page 6 of 9

Please indicate your agreement to the above terms and conditions by signing and returning this letter (in duplicate) to the Corporation together with a cheque for HK\$62,750 made payable to the Corporation's solicitors, Zhong Lun Law Firm LLP, as part payment on account of the legal costs payable on this letter and the Deed of Surrender (and their counterparts) on or before 16 August 2025; failing which the terms and conditions contained herein shall lapse and be of no further effect. Upon receipt of your reply, the Corporation shall instruct Zhong Lun Law Firm LLP to prepare a draft Deed of Surrender for your consideration.

Yours faithfully,

HONG KONG SCIENCE AND TECHNOLOGY PARKS CORPORATION



Oscar Wong
Head of Innofacturing

OW/SW/RL/19

We, IWS PROMOTION LIMITED, hereby agree and accept all the terms and conditions set out herein.

Signed by:



For and on behalf of
IWS PROMOTION LIMITED

Name in block letter: Lam King Sang

Position: Director

Date: 18 July 2025



Appendix

SUBSECTION 3 OF SECTION S OF TSEUNG KWAN O TOWN LOT NO. 39 AND EXTENSIONS THERETO

Part 1

Reinstatement Works

1. Dismantle all solar panels installed at or affixed to the roof of the Premises and all associated installations (collectively, “**Solar Panels**”), save and except as otherwise approved by the Corporation in which case you shall have proven to the absolute satisfaction of the Corporation that the Solar Panels are not subject to any charge, lien, hire purchase agreement or any other encumbrances or third party rights and that there is no subsisting contract/agreement in respect of the Solar Panels and you shall indemnify the Corporation against any losses, claims, demands, actions, damages or other liabilities of any kind which it may incur in connection with the Solar Panels.
2. Demolish and remove all equipment and machinery and their associated connections, save and except the security gate at the office lift lobby area on G/F, the air handling units on 4/F, the cooling towers on the roof, all overhead cranes, all ventilation ducts in the Premises, and the weighbridge on the open area or as otherwise directed by the Corporation.
3. Remove all logo(s) within the office lift lobby area on G/F and on the external building façades and fence walls of the Premises.
4. Remove all additions and/or alterations (including but not limited to all additional walls, roller shutters, rooms, partitioning, false ceiling, fixed furniture, renovations and fitting-out works) that are not covered/contained in the latest approved building plans of the Premises, save and except those within the office lift lobby area on G/F, the Workshop Area 4A, the gym room, the board room and the office area on 4/F.
5. Remove all loose fixture and furniture, storage racks, rubbish and waste materials (including but not limited to all contents in the DG store(s)) and carry out general cleaning to the Premises before completion of the reinstatement work.
6. Reinststate all areas affected by the abovementioned work including blocking off openings in the walls and floors thus formed.



7. Such works as listed below:

Items to be removed by Lessee **	
1.	Removal of all solar panels installed at or affixed to the roof and all associated installations. (Refer to Item 1 of Part 1 of Appendix)
2.	Demolition and removal of equipment and machinery and their associated connections in the following areas: <ul style="list-style-type: none">• G/F - Production machines (paper shredding) next to a ramp to 1/F at loading and unloading area• G/F - Disused power supply box in Warehouse 1• 1/F - Production machines in all workshops• 2/F - Disused production machines in all workshops• 3/F - Disused production machines in all workshops• R/F - Wind turbines
3.	Removal of logos in the following areas: <ul style="list-style-type: none">• 1 logo on the fence wall next to the northern entrance and 1 logo within the office lift lobby on G/F• 2 logos on eastern & western facades
4.	Removal of additions and/or alterations (including but not limited to all additional walls, roller shutters, rooms, partitioning, false ceiling, fixed furniture, renovations and fitting-out works) in the following areas: <ul style="list-style-type: none">• G/F - Room next to Stair No. 3 in Warehouse 1• 1/F - Additional walls including a roller shutter in Workshop 1 Common Area• 1/F - Additional walls in Workshop Area 1B• 1/F - Additional wall in Workshop Area 1C• 1/F - Additional wall in Workshop Area 1D• 4/F - Additional wall in Workshop Area 4A• 1/F - Renovation and fitting-out works in Workshop 1B• 2/F - Renovation and fitting-out works within an area next to Stair No. 4 in Workshop 2 Common Area• 2/F - Renovation and fitting-out works in Workshop 2A• 2/F - Metal plates on floor in Workshop 2A• 2/F - Renovation and fitting-out works in Workshop 2B
5.	Removal of loose fixture and furniture, storage racks, rubbish and waste materials (including but not limited to all contents in the DG store(s)) in the following areas: <ul style="list-style-type: none">• Skips in open area along the seawall• G/F - Removal of all contents in the CAT 5 D/G store (Note: Lessee to provide proof that CAT 5 DG Store is not subject to any DG Licence)• 1/F - Various storage racks in Workshop 1 Common Area, Workshop Area 1C and Workshop 1D• 4/F - Loose fixture and furniture in Office 1 and Workshop Area 4A• G/F-R/F - All raw materials, goods, miscellaneous items, waste, etc.• R/F - Planter racks

** Lessee to provide the vendor contacts for activation of all gates



Part 2

Building Plans and Certificates

1. A full set of the record building plans and valid certificates for the said building(s).
2. Certificate of Completion of Demolition Works (Form BA 14A), if necessary.
3. Periodic Test Certificates for Electrical Installations (Forms WR1 and WR2).
4. Certificate of Fire Service Installation and Equipment (FS251).
5. Certificate on Periodic Examination of Lift and Periodic Testing of Safety Equipment.

Part 3

Environment permits or licences and any other ancillary documents

1. ISO 14001 EMS/ Other environmental Management System(s) and Incident/ Non-Conformance Logs.
2. Land contamination records and relevant corrective and preventative action information.
3. Chemical Producer License(s)/ Dangerous Goods Licence(s) and other relevant environmental permits and licenses.
4. Designated project Information under EIAO, if applicable.