

ISP Global Limited

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8487



Third Quarterly Report 2019/2020

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This report, for which the directors (the “**Directors**”) of ISP Global Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) 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 report 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 report misleading.*



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 31 March 2020

UNAUDITED THIRD QUARTERLY RESULTS

The unaudited condensed consolidated third quarterly results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and nine months ended 31 March 2020, together with the unaudited comparative figures for the corresponding periods in 2019, are as follows:

	Notes	Three months ended 31 March		Nine months ended 31 March	
		2020 S\$ (Unaudited)	2019 S\$ (Unaudited)	2020 S\$ (Unaudited)	2019 S\$ (Unaudited)
Revenue	3	1,691,852	2,556,146	5,617,736	6,716,705
Costs of sales/services		(1,086,810)	(1,817,770)	(3,538,009)	(4,574,513)
Gross profit		605,042	748,376	2,079,727	2,142,192
Other income		33,852	32,704	86,308	85,719
Administrative expenses		(599,913)	(401,501)	(1,966,713)	(1,749,828)
Other gains and losses	4	210,676	(56,060)	181,246	(47,066)
Finance costs	5	(8,705)	(9,512)	(26,907)	(29,260)
Profit before taxation	6	240,952	314,007	353,661	401,757
Income tax expense	7	(57,295)	(38,124)	(111,983)	(61,489)
Profit for the period, attributable to owners of the Company		183,657	275,883	241,678	340,268

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 31 March 2020

	Notes	Three months ended 31 March		Nine months ended 31 March	
		2020	2019	2020	2019
		S\$	S\$	S\$	S\$
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Exchange differences on translation of foreign operations		(258)	(17)	(243)	159
Total comprehensive income for the period attributable to owners of the Company		183,398	275,966	241,435	340,427
Earnings per share Basic and diluted (S\$ cents per share)	8	0.02	0.03	0.03	0.06

Details of dividends of the Company are set out in note 9.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 March 2020

	Attributable to equity shareholders of the Company					Total
	Share capital	Share premium	Merger reserve	Translation reserves	Accumulated profits	
	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1 July 2019 (Audited)	1,372,630	8,593,078	524,983	97	4,131,042	14,621,830
Total comprehensive income						
Profit for the period, attributable to the owners of the Company	-	-	-	-	241,678	241,678
Other comprehensive loss for the period	-	-	-	(243)	-	(243)
Total	-	-	-	(243)	241,678	241,435
Balance at 31 March 2020 (Unaudited)	1,372,630	8,593,078	524,983	(146)	4,372,720	14,863,265

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 March 2020

For the nine months ended 31 March 2019

	Attributable to equity shareholders of the Company					Total S\$
	Share capital S\$	Share premium S\$	Merger reserve S\$	Translation reserves S\$	Accumulated profits S\$	
Balance at 1 July 2018 (Audited)	1,372,630	8,593,078	524,983	-	4,183,552	14,674,243
Total comprehensive income						
Profit for the period, attributable to the owners of the Company	-	-	-	-	340,268	340,268
Other comprehensive income for the period	-	-	-	159	-	159
Total	-	-	-	159	340,268	340,427
Balance at 31 March 2019 (Unaudited)	1,372,630	8,593,078	524,983	159	4,523,820	15,014,670

Notes:

- (i) Merger reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the corporate reorganisation undertaken in the preparation for the listing of the shares of the Company (the "Shares") on GEM of the Stock Exchange.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

1. GENERAL INFORMATION

ISP Global Limited was incorporated and registered as an exempted Company in the Cayman Islands with limited liability on 21 July 2017 and its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) on 8 September 2017 and the principal place of business in Hong Kong registered is Suites 1801-03, 18/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. The head office and principal place of business of the Group is at No. 3 Ang Mo Kio Street 62, #01-39, LINK@AMK, Singapore 569139. The Shares have been listed on GEM of the Stock Exchange with effect from 16 January 2018.

The Company is a subsidiary of Express Ventures Global Limited ("**Express Ventures**"), incorporated in the British Virgin Islands ("**BVI**"), which is also the Company's ultimate holding company. Mr. Mong Kean Yeow and his spouse Ms. Choon Shew Lang jointly control the ultimate holding company and are the controlling shareholders of ISP Global Limited and its subsidiaries (the "**Group**") (together referred to as the "**Controlling Shareholders**").

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

1. GENERAL INFORMATION (cont'd)

The Company is an investment holding company and the principal activities of its operating subsidiaries are sale of sound and communication systems and related services, provision of integrated services of sound and communication systems, and provision of alert alarm system services in Singapore.

The unaudited condensed consolidated financial statements are presented in Singapore Dollars (“**S\$**”), which is also the functional currency of the Company.

The unaudited condensed consolidated financial statements are approved by the board of Directors (the “**Board**”) on 15 May 2020.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

2. BASIS OF PREPARATION AND APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

For the purpose of preparing and presenting the unaudited condensed consolidated financial statement for the reporting period, the Group has consistently applied IFRSs that are effective for the financial year beginning on 1 July 2019 throughout the reporting period. At the date of issuance of this report, the Group has not applied the following new IFRSs, amendments to IFRSs, amendments to International Accounting Standards (“**IASs**”), and the new interpretations that have been issued but are not yet effective:

Amendments to References to the Conceptual Framework in IFRSs¹

Amendments to IFRS 103: Definition of a Business¹

Amendments to IFRS 1 and IFRS 8: Definition of Material¹

IFRS 17: Insurance Contracts²

1. Effective for annual periods beginning on or after 1 January 2020, with early application permitted.
2. Effective for annual periods beginning on or after 1 January 2021, with early application permitted.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of (1) sale of sound and communication system and related services (“**Sale of Sound and Communication Systems and Related Services**”), (2) integrated services of sound and communication systems, includes installation and customisation of sound and communication systems in buildings in Singapore (“**Integrated Services of Sound and Communication Systems**”) and (3) alert alarm system services (“**Alert Alarm System Services**”) to external customers. The Group’s operations are solely derived from Singapore during the respective periods, and are as follows:

	Three months ended 31 March		Nine months ended 31 March	
	2020 S\$ (Unaudited)	2019 S\$ (Unaudited)	2020 S\$ (Unaudited)	2019 S\$ (Unaudited)
<i>Revenue from:</i>				
Sale of sound and communication systems and related services	1,363,498	1,874,432	4,318,118	4,921,278
Integrated services of sound and communication systems	109,468	472,828	642,960	1,138,769
Alert alarm system services	218,886	218,886	656,658	656,658
	1,691,852	2,566,146	5,617,736	6,716,705

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

3. REVENUE AND SEGMENT INFORMATION (cont'd)

The Group principally operates in Singapore, which is also its place of domicile. Accordingly, all the Group's property, plant and equipment are located in Singapore. The Group's revenue is derived solely from Singapore, based on the location where products and services are delivered.

4. OTHER GAINS AND LOSSES

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Exchange (gain) loss, net	(243,197)	50,262	(218,498)	41,268
Loss on expected credit losses ("ECL")	32,521	-	37,252	-
Loss on disposal of subsidiaries	-	5,798	-	5,798
	(210,676)	56,060	(181,246)	47,066

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

5. FINANCE COSTS

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>Interest on:</i>				
Banking borrowings	8,705	9,512	26,907	29,260
	8,705	9,512	26,907	29,260

6. PROFIT BEFORE TAXATION

Profit before income tax is arrived at after charging:

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>Depreciation of property, plant and equipment</i>				
Recognised in costs of sales/services	99,074	99,074	297,223	297,223
Recognised in administrative expenses	33,758	32,376	98,295	95,486
	132,832	131,450	395,518	392,709

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

6. PROFIT BEFORE TAXATION (cont'd)

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Directors' remuneration	202,519	160,057	734,479	518,908
Other staff costs				
– Salaries, wages and other benefit	487,867	502,091	1,523,223	1,437,143
– Defined contribution plans, including retirement benefits	18,959	21,933	57,500	74,537
– Foreign worker levy and skill development levy	46,795	77,149	183,228	218,757
Total staff costs (inclusive of Directors' remuneration)	756,140	761,230	2,498,430	2,249,345
Recognised in costs of sales/services	382,161	486,418	1,283,113	1,261,114
Recognised in administrative expenses	373,979	274,812	1,215,317	988,231
Total staff costs (inclusive of Directors' remuneration)	756,140	761,230	2,498,430	2,249,345
Cost of materials recognised as costs of sales/services	561,061	1,215,307	1,758,323	2,970,856
Subcontractor costs recognised as costs of sales/services	44,514	16,970	199,350	45,320

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

7. INCOME TAX EXPENSE

Singapore corporate income tax has been provided at the rate of 17% (nine months ended 31 March 2019: 17%). A breakdown of the income tax expenses is as follow:

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current tax – Singapore corporate income tax	75,404	55,641	176,046	101,947
Overprovision current tax in prior years	-	-	(9,736)	-
Deferred tax	(18,109)	(17,517)	(54,327)	(40,458)
	57,295	38,124	111,983	61,489

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 March 2020

8. EARNINGS PER SHARE FOR THE PERIOD

	Three months ended 31 March		Nine months ended 31 March	
	2020	2019	2020	2019
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company	183,657	275,883	241,678	340,268
Weighted average number of ordinary shares ('000)	800,000	800,000	800,000	800,000
Basic and diluted earnings per share (S\$ cents per share)	0.02	0.03	0.03	0.06

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares in issue during the respective periods.

9. DIVIDENDS

No dividends have been proposed or paid by the Company or any of its subsidiaries during the nine months ended 31 March 2020 (nine months ended 31 March 2019: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

DEVELOPMENT OF BUSINESS AND PROSPECTS

The Group is engaged in the sales, installation and maintenance of sound and communication system solutions, and alert alarm systems in Singapore.

For the nine months ended 31 March 2020 (the “**Relevant Period**”), the Group recorded a net profit of approximately S\$0.2 million as compared to a net profit of approximately S\$0.3 million for the same period in 2019. The Directors are of the view that the decrease in net profit was primarily due to the reduction of gross profits by approximately S\$0.1 million which was caused by project slowdowns incurred in the first quarter of 2020.

The Board has been closely monitoring the market conditions and reviewing the Company’s business performance and strategies in light of the recent outbreak of COVID-19 in Singapore. On 3 April 2020, the Ministry of Health of Singapore issued a press release on “Circuit Breaker to Minimise Further Spread of COVID-19” which outlined enhanced safe distancing measures to reduce the risk of further local transmission of COVID-19. The measures include the closure of workplace premises. Other than essential services and their related supply chains, as well as entities that form a part of the global supply chain, business activities that cannot be conducted through telecommuting or other means from home shall be suspended (the “**Suspension**”) from 7 April 2020 to 4 May 2020 (both dates inclusive) as a circuit breaker to curb further spread of COVID-19.

MANAGEMENT DISCUSSION AND ANALYSIS

Due to the Suspension, the degree of impact of COVID-19 on the Group's business and financial performance cannot be determined now as the pandemic may persist for some time. The Group will comply with the relevant requirement and other policies issued by the government of Singapore, while monitoring the situation closely and continuously evaluating the impact of COVID-19 on the Group's operations.

OUTLOOK

The Shares were listed on GEM on 16 January 2018 (the "**Listing Date**") by way of share offer (the "**Share Offer**"). The Group strives to improve its operation efficiency and profitability of its business. The Group plans to expand its manpower capability, and fleet of machinery and equipment, which will enhance its available resources to bid for future projects. The Group will also proactively seek opportunities to expand its customer base and its market share and undertake more sound and communications projects which will enhance value to its shareholders.

The net proceeds from the Share Offer will thereby provide financial resources to the Group to meet and achieve its business objectives and strategies which will further strengthen the Group's market position in sound and communication system services sector.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group has been assessing the viability of business expansion opportunities in the geographical territories of China and south-eastern Asia. For the avoidance of doubt, in alignment with the use of proceeds as disclosed in the prospectus issued by the Company on 29 December 2017 (the “**Prospectus**”), the Group will not apply funds obtained from the Share Offer in connection with the abovementioned business expansion. Instead, the Group will expect to apply funds generated from operating cash flows in operating subsidiary ISPL Pte Ltd (“**ISPL**”).

FINANCIAL REVIEW

Revenue

During the Relevant Period, the Group’s revenue amounted to approximately S\$5.6 million. The Group’s revenue had decreased by approximately S\$1.0 million or 16.4% when compared to the same period in 2019. The decrease in revenue was mainly due to the Suspension and project delays in the Sales of Sound and Communication System and related services and Integrated services of sounds and communication system during the Relevant Period.

Gross profit margin

The Group’s gross profit remained relatively stable at approximately S\$2.1 million during the Relevant Period and the same period in 2019. The Group’s gross profit margin increased from approximately 31.9 % for the nine months ended 31 March 2019, to 37.0% during the Relevant Period. The increase in gross profit margin was led by an increase in profitability of the Group’s sales of sound and communication systems and related services segment during the Relevant Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative expenses

Administrative expenses increased by approximately S\$0.2 million or 12.8%, to approximately S\$2.0 million during the Relevant Period, from approximately S\$1.7 million for the nine months ended 31 March 2019. The increase was due to the increase in directors' remuneration and staff costs as a result of the increment in employee salaries and administrative staff headcount from 10 to 12 during the Relevant Period.

Other income

Other income remained relatively stable at approximately S\$86,000 during the Relevant Period and for the nine months ended 31 March 2019. The interest income is derived from fixed deposits placed from the unutilised net proceeds raised from the Share Offer.

Other gains and losses

Other gains increased significantly by approximately S\$228,000 from a loss of approximately S\$47,000 for the nine months ended 31 March 2019 to a gain of approximately S\$181,000 during the Relevant Period. The increase in gains was mainly due to foreign exchange gains from settlement of trade expenses and from amounts held in currencies other than S\$, such as US\$ and HK\$, which had appreciated against the S\$ during the Relevant Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

Finance costs slightly decreased by 8.0% to approximately S\$27,000 during the Relevant Period (nine months ended 31 March 2019: approximately S\$29,000). Such decrease was due to the repayment of mortgage loan principal during the Relevant Period.

Profit for the period

For the Relevant Period, the Group recorded a net profit of approximately S\$0.2 million as compared to a net profit of approximately S\$0.3 million for the same period in 2019. The Directors are of the view that the decrease in net profit was primarily due to the reduction of revenue which was caused by project slowdowns incurred in 2020.

Dividends

The Directors do not recommend the payment of dividend for the Relevant Period (nine months ended 31 March 2019: S\$nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Use of proceeds from Share Offer and Comparison of Business Objectives with Actual Business Progress

Up to 31 March 2020, the net proceeds raised from the Share Offer were utilised in accordance with the designated uses set out in the Prospectus as follows:

Description	Amount designated in the Prospectus <i>HK\$M</i>	Actual use of proceeds from Listing Date to 31/03/20 <i>HK\$M</i>	<i>% utilised</i>
Strengthen our marketing efforts in the sound and communication industry in Singapore	1.4	0.2	14.3%
Expand and train our sales and marketing, technical and support workforce	11.6	2.8	24.1%
Purchase transportation vehicles	3.0	0.5	16.7%
Setting up of a new sales office in Singapore	10.0	–	0.0%
Partial repayment of bank loan	10.0	10.0	100.0%
Resources for the provision of performance bonds	2.0	–	0.0%
Take steps to obtain higher grade level under our current mechanical and electrical workhead	2.5	–	0.0%
General working capital and general corporate purposes	3.5	3.5	100.0%
Grand total	44.0	17.0	38.6%

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the designated and actual implementation plan up to 31 March 2020:

Purpose	Implementation Plan	Actual implementation activities
Strengthen our marketing efforts in the sound and communication industry in Singapore	<ul style="list-style-type: none">• Implement corporate branding and identity for our sound and communication services solution operations in Singapore which includes printing of marketing materials and advertisement• Maintain and improve our corporate websites by the external consultant for customised website development• Participate in industry trade show(s)	<ul style="list-style-type: none">• Maintained and improved our corporate websites, which included appointing an external consultant for customised website development

MANAGEMENT DISCUSSION AND ANALYSIS

Purpose	Implementation Plan	Actual implementation activities
Expand and train our sales and marketing, technical and support workforce	<ul style="list-style-type: none"> • Staff costs for retaining the approximately one project manager, two engineers and 10 technicians to be recruited by February 2018, and the associated staff accommodation costs • Staff costs for retaining the approximately one sales manager, two sales and marketing executives and 10 technicians to be recruited by July 2018, and the associated staff accommodation costs • To provide internal and external trainings and workshops to our sales and technical staff 	<ul style="list-style-type: none"> • New headcount of approximately 8 technicians were recruited by June 2018 • New headcount of approximately two engineers and 9 technicians were recruited by June 2019 • New headcount of approximately two sales and marketing executives were recruited by June 2019 • Provided internal and external trainings and workshops to our technical staff

MANAGEMENT DISCUSSION AND ANALYSIS

Purpose	Implementation Plan	Actual implementation activities
Purchase transportation vehicles	<ul style="list-style-type: none"> • Purchase of one van for maintenance operations and, transportation of relevant equipment and/or labour • Purchase of one lorry for delivery and transportation of larger equipment and/or labour 	<ul style="list-style-type: none"> • Purchased one van for maintenance, operations and transportation of relevant equipment and/or labour • Considered and monitored the Group's current project portfolio but postponed the purchase of lorry due to current different project requirements
Setting up a new sales office in Singapore	<ul style="list-style-type: none"> • Purchase of one new property to be used by our sales and contract department and act as a demonstration facility for our sound and communication systems 	<ul style="list-style-type: none"> • Considered and monitored the Group's project tenders and plan was postponed due to current observed industry customers' requirements
Partial repayment of bank loan	<ul style="list-style-type: none"> • Partial repayment for the bank loan in relation to the mortgage loan secured for the purchase of our head office in Singapore 	<ul style="list-style-type: none"> • The mortgage loan was partially repaid on 11 July 2018

MANAGEMENT DISCUSSION AND ANALYSIS

Purpose	Implementation Plan	Actual implementation activities
Expansion of our sound and communication services solution business	<ul style="list-style-type: none"> To explore, evaluate and tender for potential integrated services of sound and communication systems projects in Singapore, particularly larger scale projects which may be required for the provision of performance bonds 	<ul style="list-style-type: none"> Postponed due to performance bond not required in recent awarded tenders to the Group In the process of exploring large scale potential projects which requires the provision of performance bonds but postponed temporarily due to Suspension
Take steps to obtain higher grade level under our current mechanical and electrical workhead	<ul style="list-style-type: none"> Satisfy the minimum financial requirements for "L6" grade under our current mechanical and electrical workhead 	<ul style="list-style-type: none"> Considered and monitored the Group's project portfolio and postponed to April 2020

The net proceeds from the Share Offer, after deducting the related expenses, were approximately HK\$44.0 million. After the Share Offer, a part of these proceeds has been applied in accordance with the future plans and use of proceeds as set out in the Prospectus. The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry.

MANAGEMENT DISCUSSION AND ANALYSIS

As at the date of this report, the unutilised proceeds were placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong and Singapore. The Group will gradually apply the remaining net proceeds in the manner set out in the Company's Prospectus depending on actual business needs.

The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market conditions to ascertain the business growth of the Group. During the nine months ended 31 March 2020, the Directors considered that no modification of the use of proceeds described in the Prospectus was required.

Events after Reporting Period

On 24 April 2020, the Company published a voluntary announcement on further business update in relation to the recent outbreak of the novel coronavirus (the "**Further Business Update**"). In the Further Business Update, it was announced that the Suspension would be extended by further 4 weeks until 1 June 2020 (inclusive). As such, this has resulted in a slowdown in the progress of the Group's business projects for the period between 7 April 2020 and 1 June 2020 (both dates inclusive), while the Group is still required to bear operating costs such as staff costs, foreign workers' accommodation costs, etc.

MANAGEMENT DISCUSSION AND ANALYSIS

The degree of impact of COVID-19 on the Group's business and financial performance cannot be evaluated now as the pandemic may persist for some time. The Group will continue to comply with the relevant requirement and other policies issued by the government of Singapore, while monitoring the situation closely and continuously evaluating the impact of COVID-19 on the Group's operations. The Group will keep shareholders and potential investors informed if there is any material development.

Other than the abovementioned, the Group has no other significant events which were subsequent to the end of the reporting period stated in this report.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 March 2020, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (the “SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he/she is taken or deemed to have under such provisions of the SFO, or which were recorded in the register required to be kept by the Company under Section 352 of the SFO), or which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

Long position in ordinary shares of the Company

Name	Capacity/Nature	Number of	
		Shares held/ interested	Percentage of shareholding
Mr. Mong Kean Yeow <i>(Note)</i>	Interest in a controlled corporation; interest held jointly with another person	406,000,000	50.75%
Ms. Choon Shew Lang <i>(Note)</i>	Interest in a controlled corporation; interest held jointly with another person	406,000,000	50.75%

Note: Express Ventures is beneficially owned as to 97.14% by Mr. Mong Kean Yeow and 2.86% by Ms. Choon Shew Lang. On 22 August 2017, Mr. Mong Kean Yeow and Ms. Choon Shew Lang entered into an acting in concert confirmation to acknowledge and confirm, among other things, that they are parties acting in concert within the meaning of the Hong Kong Code on Takeovers and Mergers. By virtue of the SFO, Mr. Mong Kean Yeow and Ms. Choon Shew Lang are deemed to be interested in the Shares held by Express Ventures.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

Long position in ordinary shares of associated corporation – Express Ventures

Name	Name of associated corporation	Capacity/Nature	Number of Shares held/ interested	Percentage of shareholding
Mr. Mong				
Kean Yeow	Express Ventures	Beneficial owner	510	97.14%
Ms. Choon				
Shew Lang	Express Ventures	Beneficial owner	15	2.86%

Save as disclosed above, as at 31 March 2020, none of the Directors and chief executive of the Company had an interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2020, so far as is known to the Directors, the following person (other than Directors or chief executive of the Company) had or were deemed or taken to have interests and short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO was as follows:

Long position in ordinary shares of the Company

<u>Name</u>	<u>Capacity/Nature</u>	<u>Number of Shares held/ interested</u>	<u>Percentage of shareholding</u>
Express Ventures	Beneficial owner	406,000,000	50.75%
Peng Xiaomin	Beneficial owner	41,650,000	5.21%
Cai Linzhou	Beneficial owner	41,400,000	5.18%

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

Save as disclosed above, as at 31 March 2020, so far as is known to the Directors or chief executive of the Company, no other persons, other than the Directors and chief executive of the Company whose interests are set out in the section “**DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS**” above, had any interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

INTEREST OF THE COMPLIANCE ADVISER

As notified by the compliance adviser of the Company, Kingsway Capital Limited, as at 31 March 2020, save for the compliance adviser agreement dated 21 August 2017 entered into between the Company and Kingsway Capital Limited, neither Kingsway Capital Limited, its directors, employees and close associates had any interest in relation to the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealing, as set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the Shares. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by the Directors during the Relevant Period.

NO CHANGE IN INFORMATION OF DIRECTORS

There was no change in the information of Directors required to be disclosed pursuant to rule 17.50A(1) of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, Directors confirmed that the Company has maintained a sufficient amount of public float for its Shares as required under the GEM Listing Rules.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the Controlling Shareholders or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) has engaged in any business or interest that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group as required to be disclosed pursuant to rule 11.04 of the GEM Listing Rules during the Relevant Period.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Board confirms that during the Relevant Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") on 14 December 2017. No share option has been granted under the Share Option Scheme since its adoption.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieve a high standard of corporate governance practices in enhancing the confidence of shareholders, investors, employees, creditors and business partners and also the growth of its business. The Board has and will continue to review and improve the Company's corporate governance practices from time to time in order to increase its transparency and accountability to shareholders. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 15 of the GEM Listing Rules as its own corporate governance code since the Listing Date. The Company has, so far as applicable, principally complied with the CG Code throughout the Relevant Period.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with rules 5.28 to 5.33 of the GEM Listing Rules on 14 December 2017 (the “**Audit Committee**”). The primary duties of the Audit Committee include, among others, (a) making recommendations to our Board on the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor; (b) reviewing the Group’s financial statements, annual report and accounts, half year report, and quarterly report and significant financial reporting judgements contained therein; and (c) reviewing the financial control, internal control and risk management systems of the Group. As at the date of this report, the Audit Committee comprises of three independent non-executive Directors, namely Mr. Tang Chi Wai, Mr. Lim Loo Kit and Mr. Lim Meng Yi. Mr. Tang Chi Wai is the chairman of the Audit Committee.

The unaudited third quarterly results of the Company for the Relevant Period have not been audited by the Company’s independent auditors, but have been reviewed by the Audit Committee members who have provided advice and comments thereon.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

Unless otherwise specified in this report and for the purpose of illustration only, S\$ is translated into HK\$ at the rate of S\$1 = HK\$5.85. No representation is made that any amounts in S\$ have been or could be converted at the above rate of at any other rates or at all.

By order of the Board

ISP Global Limited

Mong Kean Yeow

Chairman and executive Director

Hong Kong, 15 May 2020

As at the date of this report, the executive Directors are Mr. Mong Kean Yeow and Ms. Choon Shew Lang, and the independent non-executive Directors are Mr. Lim Meng Yi, Mr. Lim Loo Kit and Mr. Tang Chi Wai.