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ISP GLOBAL LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8487)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 MARCH 2021

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 announcement, 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 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.*

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

For the three months and nine months ended 31 March 2021

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 2021, together with the unaudited comparative figures for the corresponding periods in 2020, are as follows:

		Three months ended 31 March		Nine months ended 31 March	
		2021	2020	2021	2020
	Notes	S\$	S\$	S\$	S\$
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	3	3,614,768	1,691,852	8,196,443	5,617,736
Costs of sales/services		<u>(2,386,157)</u>	<u>(1,086,810)</u>	<u>(5,549,501)</u>	<u>(3,538,009)</u>
Gross profit		1,228,611	605,042	2,646,942	2,079,727
Other income		17,941	33,852	266,377	86,308
Administrative expenses		(1,144,861)	(599,913)	(2,595,473)	(1,966,713)
Other gains and losses	4	81,440	210,676	(139,443)	181,246
Share of loss in associate		(44,340)	–	(60,298)	–
Finance costs	5	<u>(6,787)</u>	<u>(8,705)</u>	<u>(19,073)</u>	<u>(26,907)</u>
Profit before taxation	6	132,004	240,952	99,032	353,661
Income tax expense	7	<u>(96,374)</u>	<u>(57,295)</u>	<u>(52,215)</u>	<u>(111,983)</u>
Profit for the period		<u>35,630</u>	<u>183,657</u>	<u>46,817</u>	<u>241,678</u>
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		<u>(2,622)</u>	<u>(258)</u>	<u>3,953</u>	<u>(243)</u>
Total comprehensive income for the period, net of tax		<u>33,008</u>	<u>183,398</u>	<u>50,770</u>	<u>241,435</u>

	Three months ended 31 March		Nine months ended 31 March	
	2021	2020	2021	2020
Notes	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(Loss) Profit for the period attributable to:				
Owners of the Company	(305,098)	183,657	(347,914)	241,678
Non-controlling Interest	<u>340,728</u>	<u>–</u>	<u>394,731</u>	<u>–</u>
Profit for the period	<u>35,630</u>	<u>183,657</u>	<u>46,817</u>	<u>241,678</u>
Total comprehensive (loss) income attributable to:				
Owners of the Company	(310,078)	183,398	(345,461)	241,435
Non-controlling Interest	<u>343,086</u>	<u>–</u>	<u>396,231</u>	<u>–</u>
Total comprehensive income for the period, net of tax	<u>33,008</u>	<u>183,398</u>	<u>50,770</u>	<u>241,435</u>
(Losses) earnings per share Basic and diluted				
<i>(S\$ cents per share)</i>	8			
	<u>(0.04)</u>	<u>0.02</u>	<u>(0.04)</u>	<u>0.03</u>

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 2021

	Attributable to equity shareholders of the Company					Equity attributable to owners of the company S\$	Non-Controlling Interest S\$	Total S\$
	Share capital S\$	Share premium S\$	Merger reserve S\$	Translation reserves S\$	Accumulated profits S\$			
Balance at 1 July 2020 (Audited)	1,372,630	8,593,078	524,983	516	4,415,264	14,906,471	-	14,906,471
Total comprehensive income								
(Loss) profit for the period	-	-	-	-	(347,914)	(347,914)	394,731	46,817
Other comprehensive income for the period	-	-	-	2,453	-	2,453	1,500	3,953
Total	-	-	-	2,453	(347,914)	(345,461)	396,231	50,770
Non-controlling interest, arising from acquisition of a subsidiary representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	99,559	99,559
Balance at 31 March 2021 (Unaudited)	<u>1,372,630</u>	<u>8,593,078</u>	<u>524,983</u>	<u>2,969</u>	<u>4,067,350</u>	<u>14,561,010</u>	<u>495,790</u>	<u>15,560,800</u>

For the nine months ended 31 March 2020

	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 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)	<u>1,372,630</u>	<u>8,593,078</u>	<u>524,983</u>	<u>(146)</u>	<u>4,372,720</u>	<u>14,863,265</u>

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 2021

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 Windward 3, Regatta Office Park, 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 head office and principal place of business in Hong Kong registered is Room 2607, 26th Floor, The Center, 99 Queen's Road Central, Hong Kong. The principal place of business in Singapore 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 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, provision of alert alarm system services in Singapore, and provision of E-commerce services.

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 14 May 2021.

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 2020 throughout the reporting period. At the date of issuance of this announcement, 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 resulting from Annual Improvements to IFRS Standards 2018-2020¹

¹ *Effective for annual periods beginning on or after 1 January 2022, with early application permitted.*

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from (1) sale of sound and communication systems and related services (“**Sale of Sound and Communication Systems and Related Services**”), (2) provision of integrated services of sound and communication systems, which includes installation and customisation of sound and communication systems in buildings in Singapore (“**Integrated Services of Sound and Communication Systems**”), (3) provision of alert alarm system services (“**Alert Alarm System Services**”), (4) provision of E-commerce services (“**E-commerce**”) to external customers. The Group’s operations are solely derived from Singapore during the nine months ended 31 March 2021. An analysis of the Group’s revenue is as follows:

	Three months		Nine months	
	ended 31 March		ended 31 March	
	2021	2020	2021	2020
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>Revenue from:</i>				
Sale of sound and communication systems and related services	1,995,425	1,363,498	3,841,876	4,318,118
Integrated services of sound and communication systems	–	109,468	110,000	642,960
Alert alarm system services	218,886	218,886	656,658	656,658
E-commerce	1,400,457	–	3,587,909	–
	<u>3,614,768</u>	<u>1,691,852</u>	<u>8,196,443</u>	<u>5,617,736</u>

Information about the Major Customers

Revenue from external customers contributing over 10% of total revenue of the Group are as follows:

	Nine months	
	ended 31 March	
	2021	2020
	S\$	S\$
	(Unaudited)	(Unaudited)
Customer I	– [^]	658,058
Customer II	– [^]	654,064
Customer III	1,807,500	– [#]

[^] For the nine months ended 31 March 2021, the corresponding revenue from that customer did not amount to more than 10% of total Group revenue for the period.

[#] For the nine months ended 31 March 2020, the corresponding revenue from that customer did not amount to more than 10% of total Group revenue for the period.

Geographical information

The Group revenue from customers and information about its specified non-current assets, comprising property, plant and equipment, goodwill on consolidation, and interest in an associate, by geographical location are detailed below.

a) Revenue from external customers

	Three months ended 31 March		Nine months ended 31 March	
	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)
Singapore	2,214,311	1,691,852	4,608,534	5,617,736
China	1,400,457	–	3,587,909	–
	<u>3,614,768</u>	<u>1,691,852</u>	<u>8,196,443</u>	<u>5,617,736</u>

b) Non-current assets

	As at 31 March 2021 S\$ (Unaudited)	As at 30 June 2020 S\$ (Unaudited)
	Singapore	4,463,969
China	1,060,787	–
Hong Kong	1,909,953	–
Malaysia	3,534	–
	<u>7,438,243</u>	<u>5,024,000</u>

4. OTHER GAINS AND LOSSES

	Three months ended 31 March		Nine months ended 31 March	
	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)
Exchange (gain) loss, net	(34,699)	(243,197)	145,127	(218,498)
Loss on expected credit losses (“ECL”)	(49,373)	32,521	(8,315)	37,252
Other losses	2,631	–	2,631	–
	<u>(81,440)</u>	<u>(210,676)</u>	<u>139,443</u>	<u>(181,246)</u>

5. FINANCE COSTS

	Three months ended 31 March		Nine months ended 31 March	
	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)
<i>Interest on:</i>				
Banking borrowings	5,406	8,705	17,692	26,907
Lease liabilities	1,381	–	1,381	–
	<u>6,787</u>	<u>8,705</u>	<u>19,073</u>	<u>26,907</u>

6. PROFIT BEFORE TAXATION

Profit before income tax is arrived at after charging:

	Three months ended 31 March		Nine months ended 31 March	
	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)
Depreciation of property, plant and equipment (<i>Note a</i>)	204,678	132,832	471,088	395,518
Directors' remuneration	249,610	202,519	692,140	734,479
Other staff costs				
– Salaries, wages and other benefit	558,196	487,867	1,418,327	1,523,223
– Defined contribution plans, including retirement benefits	19,777	18,959	62,210	57,500
– Foreign worker levy and skill development levy	49,644	46,795	94,139	183,228
Total staff costs (inclusive of Directors' remuneration) (<i>Note b</i>)	<u>877,227</u>	<u>756,140</u>	<u>2,266,816</u>	<u>2,498,430</u>
Cost of materials recognised as costs of sales/services	1,921,323	561,061	4,200,818	1,758,323
Subcontractor costs recognised as costs of sales/services	<u>17,019</u>	<u>44,514</u>	<u>85,415</u>	<u>199,350</u>

Notes:

- a. For the Relevant Period, depreciation of S\$297,220 (period ended 31 March 2020: S\$297,223) is included in costs of sales/services.
- b. For the Relevant Period, staff costs of S\$966,048 (period ended 31 March 2020: S\$1,283,113) is included in costs of sales/services.

7. INCOME TAX EXPENSE

Singapore corporate income tax has been provided at the rate of 17% (nine months ended 31 March 2020: 17%). The People's Republic of China ("PRC") corporate income tax has been provided at the rate of 25%. A breakdown of the income tax expenses is as follows:

	Three months ended 31 March		Nine months ended 31 March	
	2021	2020	2021	2020
	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current tax				
– Singapore corporate income tax	111,503	75,404	144,565	176,046
– PRC corporate income tax	(1,214)	–	4,622	–
Overprovision current tax in prior years	–	–	(55,228)	(9,736)
Deferred tax	(13,915)	(18,109)	(41,744)	(54,327)
	<u>96,374</u>	<u>57,295</u>	<u>52,215</u>	<u>111,983</u>

8. (LOSSES) EARNINGS PER SHARE FOR THE PERIOD

	Three months ended 31 March		Nine months ended 31 March	
	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)	2021 S\$ (Unaudited)	2020 S\$ (Unaudited)
(Loss) profit for the period attributable to owners of the Company	(305,098)	183,657	(347,914)	241,678
Weighted average number of ordinary shares ('000)	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
Basic and diluted (losses) earnings per share (S\$ cents per share)	<u>(0.04)</u>	<u>0.02</u>	<u>(0.04)</u>	<u>0.03</u>

The diluted (losses) 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 2021 (nine months ended 31 March 2020: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Development of business and prospects

The Group is principally engaged in the sales, installation and maintenance of sound and communication system solutions, and alert alarm systems in Singapore and E-commerce services in China.

For the nine months ended 31 March 2021 (the “**Relevant Period**”), the Group recorded a net loss attributable to the owners of the Company of approximately S\$0.3 million as compared to a net profit of approximately S\$0.2 million for the same period in 2020. The Directors are of the view that the reduction in net profit was mainly attributable to, among other things, (i) the increase of approximately S\$0.6 million, or 32.0%, in administrative costs and expenses related to funding of business opportunities in the Group’s new E-commerce segment in China from approximately S\$2.0 million for the nine months ended 31 March 2020 to approximately S\$2.6 million for the Relevant Period; and (ii) the increase in other foreign exchanges losses of approximately S\$0.2 million in the Group’s operating subsidiaries which settle or hold currencies other than S\$, such as US\$ and HK\$, which had depreciated against the S\$ during the Relevant Period.

Outlook

The Group always strives to improve its operation efficiency and profitability of its business. Due to the Singapore government’s response to the global pandemic caused by the Novel Coronavirus Sars-CoV II (“**COVID-19**”), the Group’s business in Singapore had been adversely affected by in sales and projects delays. The Group recorded a significant decline in revenues and incurred losses due to slowdown in demand for sales, installation and maintenance of sound and communication system solutions, and alert alarm systems in Singapore during the Relevant Period. Throughout the pandemic, the Group adopted contingency plans and optimised our cost structure through maintaining customer relationships in the Healthcare and Education sectors through contactless means, and increasing our professional expertise through the hiring of employees with relevant experience. The Group adopted social distancing measures and emphasised on increased workplace health and safety measures to ensure employee wellbeing and to prevent the spread of COVID-19 within the Group.

The Group has also been assessing the viability of business expansion opportunities in the geographical territories of China and south-eastern Asia. The COVID-19 control measures in China was successful to a substantial extent, managing to sufficiently quell the spread of the virus within China. Moreover, with the introduction of antitrust laws in China in recent years, the Group believes there is an opportunity for new entrants to develop and compete against any existing large incumbents in the market.

Financial review

Revenue

During the Relevant Period, the Group's revenue amounted to approximately S\$8.2 million. The Group's revenue had increased by approximately S\$2.6 million or 45.9% when compared to the same period in 2020. The increase in revenue was principally due to the contributions of S\$3.6 million by the Group's new E-commerce segment. Such increase is offset by a decrease in revenues of S\$1.0 million, compared with the corresponding period in 2020, as there were less projects being awarded to the Group in both the integrated sales of sound and communication and sales of sound and communication systems and related services segments during the Relevant Period decreasing revenues of S\$1.5 million when compared with the corresponding period in 2020.

Gross profit and gross profit margin

The Group's gross profit increased to approximately S\$2.6 million during the Relevant Period by approximately S\$0.5 million or 27.3% from approximately S\$2.1 million during the same period in 2020. The Group's gross profit margin decreased from approximately 37.0% for the nine months ended 31 March 2020, to 32.3% during the Relevant Period. The increase in the Group's gross profit was primarily due to higher material purchase costs and lower gross margins of the new E-commerce segment.

Administrative expenses

Administrative expenses increased by approximately S\$0.6 million or 32.0%, to approximately S\$2.6 million during the Relevant Period, from approximately S\$2.0 million for the nine months ended 31 March 2020. The increase was primarily due to an increase of administrative costs related to funding of business opportunities in the Group's new E-commerce segment in China.

Other income, gains and losses

Other income, gains and losses decreased by approximately S\$0.2 million or 52.6%, to approximately S\$0.1 million during the Relevant Period, from approximately S\$0.3 million for the nine months ended 31 March 2020. The decrease was mainly attributed to the increase in other foreign exchanges losses of approximately S\$0.2 million in the Group's operating subsidiaries which settle or hold currencies other than S\$, such as US\$ and HK\$, which had depreciated against the S\$ during the Relevant Period. This was slightly offset by the increased governmental grant income from the Singapore government to help enterprises to offset payroll costs of operating in the built environment in Singapore.

Finance costs

Finance costs decreased by approximately S\$8,000 or 29.1% to approximately S\$19,000 during the Relevant Period (nine months ended 31 March 2020: approximately S\$27,000). Such decrease was due to the repayment of mortgage loan principal during the Relevant Period.

(Loss) profit attributable to the owners for the period

During the Relevant Period, the Group recorded a net loss attributable to the owners of the Company of approximately S\$0.3 million as compared to a net profit of approximately S\$0.2 million for the same period in 2020. The Directors are of the view that the reduction in net profit was mainly attributable to, among other things, (i) the increase of approximately S\$0.6 million, or 32.0%, in administrative costs and expenses related to funding of business opportunities in the Group's new E-commerce segment in China from approximately S\$2.0 million for the nine months ended 31 March 2020 to approximately S\$2.6 million for the Relevant Period; and (ii) the increase in other foreign exchanges losses of approximately S\$0.2 million in the Group's operating subsidiaries which settle or hold currencies other than S\$, such as US\$ and HK\$, which had depreciated against the S\$ during the Relevant Period.

Dividends

The Directors do not recommend the payment of dividend for the Relevant Period (nine months ended 31 March 2020: S\$ nil).

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

Up to 31 March 2021, the net proceeds raised from the listing of shares of the Company were utilised in accordance with the designated uses set out in the prospectus issued by the Company on 29 December 2017 (the “**Prospectus**”) and the supplemental announcement issued on 31 July 2020 (the “**Supplemental Announcement**”) as follows:

Description	Amount designated in the Prospectus <i>HK\$M</i>	Actual use of proceeds as at 31/03/21 <i>HK\$M</i>	Unutilised amount as at 31/03/21 <i>HK\$M</i>	% utilised as at 31/03/21 <i>% utilised</i>	Expected date to fully utilise the unutilised amount
Strengthen our marketing efforts in the sound and communication industry in Singapore	1.4	0.4	1.0	28.6%	31/12/22
Expand and train our sales and marketing, technical and support workforce	11.6	6.6	5.0	56.9%	30/06/23
Purchase transportation vehicles	3.0	0.7	2.3	23.3%	30/06/23
Setting up of a new sales office in Singapore	10.0	–	10.0	0.0%	30/06/22
Partial repayment of bank loan	10.0	10.0	Nil	100.0%	N/A
Resources for the provision of performance bonds	2.0	0.2	1.8	10.0%	30/06/21
Take steps to obtain higher grade level under our current mechanical and electrical workhead	2.5	–	2.5	0.0%	30/06/23
General working capital and general corporate purposes	3.5	3.5	Nil	100.0%	N/A
Grand total	<u>44.0</u>	<u>21.4</u>	<u>22.6</u>	<u>48.6%</u>	

The following table sets forth the designated and actual implementation plan up to 31 March 2021:

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, by using in-house resources to develop and maintain the Group's website instead of engaging external website designers
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 • In the process of seeking suitable candidates to the remaining positions

Purpose	Implementation Plan	Actual implementation activities
Purchase transportation vehicles	<ul style="list-style-type: none"> • Purchase of three vans for maintenance operations and, transportation of relevant equipment and/or labour • Purchase of two lorries for delivery and transportation of larger equipment and/or labour 	<ul style="list-style-type: none"> • Purchased two vans 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 the latest observation of industry customers’ requirements and the property prices in Singapore were surged up higher than expected which the Group requires additional time to identify the suitable premises in order to meet the Group’s financial budget
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
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
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 Group is currently accumulating the necessary track record requirement

The net proceeds raised from the listing of the shares of the Company on GEM of the Stock Exchange, after deducting the related expenses, were approximately HK\$44.0 million. As at the disclosures stated in the Supplemental Announcement, the expected timeline for fully utilise the unutilised proceeds disclosed above is based on the best estimation from the Board with latest information available. Given the recent adverse impacts on Singapore economy as a results of the outbreak of COVID-19, it is expected that the unutilised proceeds will be utilised on or before 30 June 2023.

The expected timeline for fully utilise the unutilised proceeds disclosed above is based on the best estimation from the Board with latest information as at the date of this announcement. The Board confirms that there is no material change in the business nature of the Group as set out in the Prospectus and the Group continue to being invited for tender and being awarded projects from its customers during the relevant periods and therefore considers that the delay in use of proceeds and business expansion do not have any material adverse impacts on the operation of the Group. However, due to the adverse impacts of the outbreak of COVID-19 on worldwide economies and the three-phased approach embarked by the Singapore government to resume usual daily activities after the 2020 Singapore Circuit Breaker measures, the Board will continue closely monitor the situation and evaluate the impacts on the timeline to utilise the unutilised proceeds and will keep shareholders and potential investors informed if there is any material changes.

Events after Reporting Period

On 14 April 2021, the Company published an announcement related to a discloseable transaction that an indirectly wholly-owned subsidiary of the Company has entered into a Sale and Purchase Agreement to acquire an entire equity interest in : CNC-Link (Beijing) Technology Co., Ltd.* (中網雲鏈(北京) 科技有限公司) (“**CNC-Link**”) at the consideration of RMB 1,060,000. CNC-Link is a growing service provider in the network system solution in the PRC with strong executive power demonstrated by its increasing number of contracts servicing quality customers including but not limited to government entities, state-owned enterprises, and financial institutions acquired within the short period of time after its incorporation. The Group believes that the acquisition is strategically beneficial for the Group to (i) leverage on CNC-Link to enter the PRC market; and (ii) diversify the coverage of system servicing solutions. The transaction is completed on 6 May 2021.

On 30 April 2021, the Company published an announcement that Deloitte & Touche LLP (“**DTLLP**”) has resigned as the auditors of the Company with effect from 30 April 2021 as the Company and DTLLP cannot reach a mutual agreement on the proposed audit fee for the financial year ending 30 June 2021. The Company has confirmed that, except for the proposed audit fee for the financial year ending 30 June 2021, there are no disagreements or unresolved matters between the Company and DTLLP, and the Board is not aware of any matters in connection with the resignation of DTLLP that needs to be brought to the attention of the shareholders of the Company.

* *For identification purposes only.*

The Board further announces that with the recommendation of the audit committee of the Company (the “**Audit Committee**”), the Board has resolved to appoint Moore Stephens CPA Limited as the new auditor of the Company with effect from 30 April 2021 to fill the casual vacancy following the resignation of DTLLP as auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

Other than the abovementioned, the Group had no other significant events which were subsequent to the end of the reporting period of this announcement.

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 2021, 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:

Long position in ordinary shares of the Company

Name	Capacity/Nature	Number of Shares held/ interested	Percentage of shareholding
Mr. Mong Kean Yeow (Note)	Interest in a controlled corporation; interest held jointly with another person	120,000,000	15.00%
Ms. Choon Shew Lang (Note)	Interest in a controlled corporation; interest held jointly with another person	120,000,000	15.00%
Mr. Cao Chunmeng	Beneficial owner	76,800,000	9.60%

Note: Express Ventures Global Limited (“**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.

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 2021, 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.

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

As at 31 March 2021, 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

Name	Capacity/Nature	Number of Shares held/ interested	Percentage of shareholding
Express Ventures	Beneficial owner	120,000,000	15.00%
Li Chao	Beneficial owner	100,000,000	12.50%
Cai Linzhou	Beneficial owner	41,400,000	5.18%

Save as disclosed above, as at 31 March 2021, 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.

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.

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.

As of the announcement date, no share option has been granted, exercised, cancelled, or lapsed under the Share Option Scheme since its adoption on 14 December 2017.

SHARE AWARD SCHEME

On 18 February 2021, the Company adopted a share award scheme (the “**Scheme**”). The purposes and objectives of the Scheme are to recognise the contributions by certain eligible persons and to provide them with incentives in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group. For the details of the Scheme, please refer to the announcements of the Company published on 18 February 2021 and 9 March 2021, respectively.

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.

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 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 announcement, the Audit Committee comprises of three independent non-executive Directors, namely Mr. Tang Chi Wai, Mr. Yan Xiaotian and Dr. Cai Rongxin. 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.

Unless otherwise specified in this announcement 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, 14 May 2021

As at the date of this announcement, the executive Directors are Mr. Mong Kean Yeow, Ms. Choon Shew Lang and Mr. Yuan Shuangshun, the non-executive Director is Mr. Cao Chunmeng and the independent non-executive Directors are Dr. Cai Rongxin, Mr. Tang Chi Wai, and Mr. Yan Xiaotian.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.ispg.hk.