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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ISP Holdings Limited (the “Company”), you should at once hand this circular and the enclosed proxy form to the purchaser or transferee, or to the bank, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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ISP

ISP HOLDINGS LIMITED

昇柏控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

**SHARE PREMIUM REDUCTION
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting of the Company to be held at 3/F, Hay Nien Building, No. 1 Tai Yip Street, Kwun Tong, Kowloon, Hong Kong on Monday, 7 November 2022 at 11:00 a.m. is set out on pages 7 to 8 of this circular. Whether or not you are able to attend the special general meeting, you are requested to complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the special general meeting or any adjournment thereof. **Completion and return of the proxy form shall not preclude you from attending and voting in person at the special general meeting or any adjourned meeting thereof should you so wish.**

PRECAUTIONARY MEASURES FOR THE SGM

Please see page 6 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the SGM, including, but not limited to:

- **compulsory body temperature checks and health declarations**
- **mandatory wearing of a surgical face mask for each attendee**
- **no distribution of corporate gift and refreshment**

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue.

In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders NOT to attend the SGM in person, and advises Shareholders to appoint the Chairman of the SGM as their proxies to vote according to their indicated voting instructions as an alternative to attending the SGM in person. Shareholders are advised to read page 6 of this circular for further detail and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

13 October 2022

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended from time to time, and “Bye-law” shall mean any provision thereof
“Company”	ISP Holdings Limited, a company incorporated in Bermuda with limited liability whose Shares are listed on the main board of the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Contributed Surplus Account”	the contributed surplus account of the Company
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Share Premium Reduction shall become effective, being the date of passing of the special resolution to approve the Share Premium Reduction at the SGM
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	10 October 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange, as amended from time to time
“SGM”	the special general meeting of the Company to be held at 3/F, Hay Nien Building, No. 1 Tai Yip Street, Kwun Tong, Kowloon, Hong Kong on Monday, 7 November 2022 at 11:00 a.m. or any adjournment thereof
“SGM Notice”	the notice convening the SGM as set out on pages 7 to 8 of this circular
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Premium Account”	the share premium account of the Company

DEFINITIONS

“Share Premium Reduction”	the proposed reduction of an amount of HK\$185,420,000 standing to the credit of the Share Premium Account and the transfer of the credit arising therefrom to the Contributed Surplus Account
“Shareholder(s)” or “member(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD

ISP

ISP HOLDINGS LIMITED

昇柏控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

Executive Director:

Mr. Kingston Chu Chun Ho (*Chairman*)

Non-Executive Director:

Mr. Lam Chun Kit

Independent Non-executive Directors:

Mr. Lau Man Tak

Mr. Eric Lee Hon Man

Mr. To Chun Wai

Registered office:

Clarendon House

2 Church Street

Hamilton, HM 11

Bermuda

Principal Place of Business

in Hong Kong:

3/F, Hay Nien Building

No. 1 Tai Yip Street

Kwun Tong, Kowloon

Hong Kong

13 October 2022

To the Shareholders,

Dear Sir or Madam

**SHARE PREMIUM REDUCTION
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the SGM Notice and the information regarding the resolution to be proposed at the SGM relating to Share Premium Reduction.

SHARE PREMIUM REDUCTION

The Board intends to put forward for approval by the Shareholders at the SGM a proposal of the Share Premium Reduction pursuant to the Companies Act and the Bye-laws.

The amount standing to the credit of the Share Premium Account, based on the audited consolidated financial statements of the Company for the year ended 31 December 2021, was approximately HK\$185,420,000. It is proposed that an amount of HK\$185,420,000 standing to the credit of the Share Premium Account be reduced and that the credit arising therefrom be transferred to the Contributed Surplus Account. It is further proposed that the credit being transferred be used for such purpose as the Directors may from time to time deem fit, including offsetting the accumulated losses of the Company.

LETTER FROM THE BOARD

The balance of the Share Premium Account has not changed since 31 December 2021 and up to the Latest Practicable Date.

Conditions of the Share Premium Reduction

The Share Premium Reduction is conditional upon:

- (a) the passing of a special resolution by the Shareholders to approve the Share Premium Reduction at the SGM; and
- (b) compliance with section 46(2) of the Companies Act, including (i) the publication of a notice in relation to the Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than 30 days and not less than 15 days before the Effective Date; and (ii) the Board having satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due.

Subject to the fulfilment of the above conditions, it is expected that the Share Premium Reduction shall become effective on the Effective Date.

Reasons for the Share Premium Reduction

The Directors propose the Share Premium Reduction as they consider it unnecessary to maintain the Share Premium Account at its current level. In addition, the Company is subject to restrictions under the laws of Bermuda on the use of the funds standing to the credit of the Share Premium Account which, in summary, is limited to application towards crediting as fully paid bonus shares to be issued, paying the costs arising on the issue of Shares and in providing for the premium payable on a repurchase of shares. The Share Premium Reduction and the subsequent transfer of part of the credit arising therefrom to the Contributed Surplus Account will increase the distributable reserves of the Company and give the Company greater flexibility. The Contributed Surplus Account is a distributable reserve which is available for distribution to Shareholders. Further, the Directors may apply contributed surplus in a more general manner as they think fit, including without limitation, eliminating accumulated losses of the Company. The Board believes that the Share Premium Reduction is in the interests of the Company and the Shareholders as a whole.

Effect of the Share Premium Reduction

The implementation of the Share Premium Reduction does not involve any reduction in the authorized or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares.

Save for the expenses incurred by the Company in relation to the Share Premium Reduction, the Board considers that the implementation of the Share Premium Reduction will not, in itself, have any material adverse effect on the underlying assets, business operations, management or financial position of the Company or the interests of the Shareholders as a whole.

LETTER FROM THE BOARD

SGM

A special resolution approving the Share Premium Reduction will be proposed at the SGM.

The SGM Notice convening the SGM to be held at 3/F, Hay Nien Building, No. 1 Tai Yip Street, Kwun Tong, Kowloon, Hong Kong on Monday, 7 November 2022 at 11:00 a.m. is set out on pages 7 to 8 of this circular.

Enclosed with this circular is the proxy form for use at the SGM. Whether or not you are able to attend the SGM, you are requested to complete, sign and return the enclosed proxy form in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules and Bye-law 66, any vote of Shareholders at a general meeting must be taken by way of poll, subject to certain exceptions.

RECOMMENDATION

The Directors consider that the proposed special resolution set out in the SGM Notice is in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the special resolution set out in the SGM Notice.

GENERAL

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 circular misleading.

Yours faithfully,
For and on behalf of the Board
ISP Holdings Limited
Kingston Chu Chun Ho
Chairman

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

The health of our Shareholders, staff and other participants of the SGM (the “Stakeholders”) is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the SGM to protect the Stakeholders from the risk of infection, which include but not limited to:

- (i) Compulsory body temperature checks will be conducted for every attendee at the entrance of the meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Each attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served and there will be no corporate gift.
- (iv) Each attendee is required to complete and sign a health declaration form to declare whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the SGM; (b) he/she is subject to any Hong Kong Government prescribed quarantine; and (c) he/she has any flu-like symptoms or close contact with any person under quarantine or with recent travel history. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.
- (v) The Company will limit the attendance in person at the SGM venue in accordance with the prevailing requirements or guidelines published by the Hong Kong Government and/or regulatory authorities at the time of the SGM. Given the limited capacity of the SGM venue and the requirements for social distancing to ensure attendees’ health and safety, only Shareholders and/or their representatives and relevant SGM staff will be admitted to the SGM. Admission to the SGM venue will not be granted in excess of the capacity of the SGM venue.
- (vi) Anyone attending the SGM is reminded to observe good personal hygiene at all times.

In light of the continuing risks posed by the COVID-19 pandemic, and in the interests of protecting the Stakeholders, the Company is supportive of the precautionary measures being adopted and strongly encourages Shareholders **NOT to attend the SGM in person** and advises Shareholders to appoint the Chairman of the SGM as their proxies to vote according to their indicated voting instructions as an alternative to attending the SGM in person.

Shareholders are advised to read this section carefully and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

If any Shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to the Company’s principal place of business in Hong Kong or to our email at investor@isp-hk.com.hk.

NOTICE OF SPECIAL GENERAL MEETING

ISP

ISP HOLDINGS LIMITED

昇柏控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of ISP Holdings Limited (the “Company”) will be held at 3/F, Hay Nien Building, No. 1 Tai Yip Street, Kwun Tong, Kowloon, Hong Kong on Monday, 7 November 2022 at 11:00 a.m. for considering, and if thought fit, passing the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** conditional upon compliance by the Company with the requirements under section 46(2) of the Companies Act 1981 of Bermuda (as amended), and with effect from the date of passing this resolution:

- (a) an amount of HK\$185,420,000 standing to the credit of the share premium account of the Company be reduced and the credit arising therefrom be transferred to the contributed surplus account of the Company;
- (b) the directors of the Company be and are authorized to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner as they consider appropriate from time to time, including offsetting the accumulated losses of the Company; and
- (c) the directors of the Company be and are hereby authorized to carry out all acts and things which they may consider appropriate, necessary or desirable to give effect to or to implement the foregoing.”

By order of the board of directors of
ISP Holdings Limited
Eric Chan Kwong Leung
Company Secretary

Hong Kong, 13 October 2022

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (i) Any member entitled to attend and vote at the special general meeting shall be entitled to appoint a proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy. A proxy needs not be a member of the Company.
- (ii) In the case of joint holders of any share, any one of such joint holders may vote, either in person or by proxy or in the case of a corporation by its duly authorised representative, in respect of such share at the special general meeting as if he were solely entitled thereto, but if more than one of such joint holders be present in person or by proxy or in the case of a corporation by its duly authorised representative at the meeting, then one of the persons so present whose name stands first on the registers of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) To be valid, any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or other authority, shall be deposited at the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the special general meeting or any adjourned meeting thereof. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the special general meeting or any adjourned meeting thereof should he so wish.
- (iv) The Register of Members of the Company will be closed from Thursday, 3 November 2022 to Monday, 7 November 2022, both days inclusive (Hong Kong time), for the purpose of ascertaining shareholders' entitlement to attend and vote at the special general meeting. In order to be entitled to attend and vote at the special general meeting, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Wednesday, 2 November 2022 (Hong Kong time).

During the period mentioned in paragraph (iv) above, no transfers of shares will be registered.

- (v) Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange, all resolutions to be proposed at the special general meeting will be decided by way of a poll, subject to certain exceptions.