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ISP HOLDINGS LIMITED

昇柏控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent to the Company

金利豐證券
KINGSTON SECURITIES

THE PLACING

On 30 September 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, up to 127,448,000 Placing Shares at the Placing Price of HK$0.137 per Placing Share to not less than six Placees who are professional, institutional, or other investors that are Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the General Mandate.

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the completion of Placing, the 127,448,000 Placing Shares under the Placing represent approximately 20.00% of the issued share capital of the Company as at the date of this announcement, and approximately 16.67% of the issued share capital as enlarged by the issue of the Placing Shares.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK$17.46 million and approximately HK$16.87 million, respectively.

The Company intends to apply the net proceeds from the Placing as to (i) approximately 29.64% (or approximately HK$5.0 million) for payment of fees for professional parties; and (ii) approximately 70.36% (or approximately HK$11.87 million) for general working capital of the Group. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable, and the Placing will strengthen the Group's financial position, widen the Company's shareholder base and is in the interests of the Company and the Shareholders as a whole.

Given that completion of the Placing may or may not take place, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PLACING AGREEMENT

Date

30 September 2025 (after trading hours)

Parties

Issuer: The Company

Placing Agent: Kingston Securities Limited

As at the date of this announcement, Mrs. Chu, the ultimate beneficial owner of the Placing Agent, holding approximately 53.08% of the total issued shares of the Company, is a substantial shareholder of the Company. Given that Mr. Kingston Chu, the executive Director and the chairman of the Board, is the son of Mrs. Chu, is considered to be interested in the resolutions in respect of Placing Agreement and the transactions contemplated thereunder, therefore, Mr. Kingston Chu has abstained from voting on the resolutions at the Board approving the Placing Agreement and the transactions contemplated thereunder.

Given that Mrs. Chu is the common controlling shareholder of the Company and the Placing Agent, the Placing Agent is an associate of the connected person of the Company under the Listing Rules and the services provided by the Placing Agent constitute a connected transaction of the Company.

Given that (i) the total fees payable by the Company to the Placing Agent are less than 5% of the percentage ratio (as defined under Chapter 14 and Chapter 14A of the Listing Rules) (other than the profits ratio) and the total consideration is less than HK$3.0 million; and (ii) the services provided by and to be provided by the Placing Agent are on normal commercial terms, the Placing Agreement and the transactions contemplated thereunder are fully exempt from reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Placing

The Placing Agent has conditionally agreed to place, or procure the placing of, up to 127,448,000 Placing Shares at the Placing Price of HK$0.137 per Placing Share on a best effort basis and will receive a placing commission of 2.5% of the Placing Price multiplied by the actual number of Placing Shares placed by the Placing Agent (i.e. the gross proceeds from the Placing).

The placing commission payable to the Placing Agent under the Placing Agreement is arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions. The Directors are of the view that the placing commission is fair and reasonable.

Placees

The Placing Agent will place the Placing Shares to professional, institutional, or other investors that are Independent Third Parties. It is expected that the Placing Shares will be placed to not less than six Placees on a best effort basis.

Number of Placing Shares

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the completion of Placing, the 127,448,000 Placing Shares under the Placing represent approximately 20.00% of the issued share capital of the Company as at the date of this announcement, and approximately 16.67% of the issued share capital as enlarged by the issue of the Placing Shares. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK$1,274,480.

Placing Price

The Placing Price is HK$0.137 per Placing Share which represents:

(i) a discount of approximately 16.46% to the closing price of HK$0.164 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and

(ii) a discount of approximately 19.51% to the average closing price of approximately HK$0.1702 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Placing Shares

The Placing Shares will be allotted and issued under the General Mandate granted to the Board at the AGM held on 30 May 2025 pursuant to which the Board is authorised to allot, issue and deal with up to 127,455,000 Shares. As at the date of this announcement, the Company had not utilised the General Mandate and the 127,448,000 Placing Shares under the Placing represents approximately 99.995% of the General Mandate.

The allotment and issue of the Placing Shares are not subject to any additional Shareholders' approval.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Application for Listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Conditions of the Placing

Completion of the Placing is conditional upon:

(i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and

(ii) all necessary consent and approval to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained.

If the above conditions are not satisfied and/or waived (other than condition (i) which cannot be waived) on or before 20 October 2025, or such later date to be agreed between the Company and the Placing Agent in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party shall have any claim against the other (save for any antecedent breaches).

Completion of the Placing

Completion of the Placing, in any event, will take place within four Business Days after the fulfillment of the conditions as set out in the paragraph headed "Conditions of the Placing" above or such other date to be agreed between the Company and the Placing Agent in writing (the "**Completion Date**").

Termination of the Placing Agreement

Pursuant to the Placing Agreement, the Placing Agent is entitled to terminate the Placing Agreement by notice in writing prior to 9:00 a.m. on the Completion Date, if in the absolute opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by any of the following force majeure events:

(i) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

(ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting the local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing of the Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or

(iii) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) which affects the success of the Placing (such success being the placing of the Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.

Pursuant to the Placing Agreement, if, at or prior to 9:00 a.m. on the Completion Date;

(i) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under this Placing Agreement; or

(ii) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days; or

(iii) the Placing Agent becomes aware that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated, the Placing Agent shall determine whether such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole, or will otherwise likely to have a material prejudicial effect on the Placing; or

(iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or

(v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole occurs,

the Placing Agent shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Placing Agent from its obligations under the Placing Agreement.

Upon giving notice pursuant to the paragraph above, all obligations of the Company or the Placing Agent under the Placing Agreement shall cease and determine and no party shall have any claim against any other party of the Placing Agreement in respect of any matter arising out of or in connection with the Placing Agreement, save for any antecedent breaches.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The principal business of the Group is principally engaged in the ISP Business and property and facility management business in China.

The ISP Business has been the major business segment of the Group, contributing over 90% of its revenue in recent years. The business segment offers a wide range of services, including interior design, fitting-out, renovation and conservation, addition and alteration works, construction, maintenance, and buildability and feasibility studies for building-related projects to local customers.

Reference is made to the prospectus of the Company dated 6 May 2025 and the interim report of the Company for the six months ended 30 June 2025, the Group is facing both (i) arbitration case with the employer of the factory development of Yuen Long and (ii) a litigation case against ATAL Engineering Limited under the High Court action number HCCT 116 of 2022 for the outstanding payment of additional work performed and additional costs incurred by its indirect holding company, ISP Construction (Engineering) Limited. As at the date of this announcement, the hearings of both cases were completed and a second part of the hearing for litigation case against ATAL Engineering Limited may be scheduled in 2026 due to the late submission of report from a joint engaged expert. Also, additional legal fee of approximately HK$5.0 million was incurred mainly due to the unexpected workload on closing submission by the legal counsel and on the reports from the expert.

According to the interim report of the Company for the six months ended 30 June 2025, there was approximately HK$20.62 million in cash and cash equivalents as at 30 June 2025, excluding the restricted cash deposits, the pledged bank deposits and deposits with original maturities over three months which amounted to approximately HK$82.12 million in total. However, out of the aforesaid HK$20.62 million, approximately HK$10.62 million was held in a bank account in China for the property and facility management business in China. As such, only approximately HK$10.00 million cash balance was available for outstanding professional fee settlement, business development and the general working capital in Hong Kong.

Taking into account the situation as stated above, the Board believes that it is necessary for the Company to maintain a healthy level of the cash balance in order to prepare for any new project tenders, if they arise, and manage the unpredictable risks inherent in the construction industry.

Based on the above, the Board believes that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK$17.46 million and approximately HK$16.87 million respectively. The net placing price per Placing Share will be approximately HK$0.1324.

The Company intends to apply the net proceeds from the Placing as to (i) approximately 29.64% (or approximately HK$5.0 million) for payment of fees for professional parties; and (ii) approximately 70.36% (or approximately HK$11.87 million) for general working capital of the Group. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable, and the Placing will strengthen the Group's financial position, widen the Company's Shareholder base and is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save for the equity fund raising activities as mentioned below, there have not been any other equity fund raising activities in the past twelve months immediately prior to the date of this announcement.

Date of announcement	Event	Net proceeds (approximately)	Intended use of proceeds as announced	Actual use of proceeds
11 April 2025	Rights issue on the basis of one (1) rights share for every two (2) existing shares held on record date	approximately HK$10.13 million	(i) approximately 49.36% (or approximately HK$5.00 million) for further legal cost to be incurred for the year; and (ii) approximately 50.64% (or approximately HK$5.13 million) for general working capital of the Group	Used as intended

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the completion of the Placing) are set out as follows:

Shareholders	**As at the date of this announcement**		**Immediately upon the completion of the Placing**	
	No. of Shares	*Approximate % (note 3)*	*No. of Shares*	*Approximate % (note 3)*
Director				
Ms. Leung Yuet Ngor *(note 1)*	298,651	0.05	298,651	0.04
Champ Key Holdings Limited *(note 2)*	338,277,949	53.08	338,277,949	44.23
Other public shareholders	298,698,400	46.87	298,698,400	39.06
The Placees	—	—	127,448,000	16.67
Total	**637,275,000**	**100.00**	**764,723,000**	**100.00**

Notes:

1 Ms. Leung Yuet Ngor is an executive director of the Company.

2. Champ Key Holdings Limited ("**Champ Key**") is a company wholly owned by Mrs. Chu. As at the date of this announcement, Champ Key holds 80,000,000 convertible preference shares, representing 100% of the total convertible preference shares issued.

3. The percentage figures have been rounded. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

Given that completion of the Placing may or may not take place, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

GENERAL

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"AGM"	the annual general meeting of the Company held on 30 May 2025
"Board"	the board of Directors
"Business Day"	a day (excluding Saturday and Sunday and public holiday) on which licensed banks in Hong Kong are open for general business
"Company"	ISP Holdings Limited, a company incorporated in Bermuda with limited liability and its issued Shares are listed on the Main Board of the Stock Exchange (stock code: 02340)
"Connected person(s)"	has the meaning ascribed thereto in the Listing Rules
"Director(s)"	the director(s) of the Company
"General Mandate"	the general mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at the AGM
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	Third party(ies) independent of, and not connected or acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers) with, the Company, its connected persons (as defined under the Listing Rules) and their respective associates (as defined under the Listing Rules)
"ISP Business"	the provision of interiors and special projects business in Hong Kong, being the principally engaged business of the Group
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Chu"	Mr. Kingston Chu Chun Ho, the chairman of the Board and the executive Director and the son of Mrs. Chu
"Mrs. Chu"	Mrs. Chu Yuet Wah, the ultimate beneficial owner of the Placing Agent and the controlling shareholder of the Company

"Placee(s)"	any professional, institutional or other investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent's obligations under the Placing Agreement
"Placing"	the placing of 127,448,000 Placing Shares pursuant to the terms and conditions of the Placing Agreement
"Placing Agent"	Kingston Securities Limited, a corporation licensed to carry on business in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Placing Agreement"	the conditional placing agreement entered into between the Company and the Placing Agent dated 30 September 2025 in relation to the Placing
"Placing Price"	HK$0.137 per Placing Share
"Placing Share(s)"	up to 127,448,000 new Shares to be placed pursuant to the Placing Agreement
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By Order of the Board
ISP Holdings Limited
Kingston Chu Chun Ho
Chairman

Hong Kong, 30 September 2025

As at the date of this announcement, the Board comprises Mr. Kingston Chu Chun Ho (Chairman) and Ms. Leung Yuet Ngor as Executive Directors; Mr. Lam Chun Kit as Non-executive Director; and Mr. Lau Man Tak, Mr. Eric Lee Hon Man and Mr. To Chun Wai as Independent Non-executive Directors.