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## ISP HOLDINGS LIMITED

昇柏控股有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 02340)**

### PROFIT WARNING

This announcement is made by ISP Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year**”) and information currently available, the Group expects to record a loss after tax from continuing operations within a range of HK\$15.0 million to HK\$31.0 million for the Year, as compared to a loss after tax from continuing operations of approximately HK\$99.3 million (as restated; see note below) for the year ended 31 December 2020 (the “**Previous Year**”).

*Note:*

*HK\$'million*

Profit for the year as reported in audited financial statements for the Previous Year	14.2
Results of PFM Business reclassified to discontinued operations	<u>(113.5)</u>
Restated loss after tax from continuing operations	<u><u>(99.3)</u></u>

The loss incurred in the Year is mainly due to a downward adjustment of the revenue for the work done for a completed project, which amounts from approximately HK\$17.0 million to HK\$33.0 million subject to audit and which has been billed but not been paid. The Group is making preparation for legal action to recoup the unpaid sum in relation to the aforesaid project. Notwithstanding this, the revenue is expected to be adjusted for the Year according to strict application of relevant accounting standards.

Furthermore, the decrease of loss after tax from continuing operations for the Year as compared with Previous Year is mainly because of:

- (a) substantial loss of over HK\$90.0 million recognised on certain completed projects of ISP Business in the Previous Year has not recurred for the Year; and
- (b) costs of approximately HK\$10.0 million incurred on an employee compensation claim in the Previous Year has not recurred for the Year.

Taking into consideration of the results from discontinued operations, the Group is expected to record a total comprehensive income attributable to equity holders in the range of HK\$4.0 million to HK\$20.0 million for the Year, as compared to HK\$14.8 million for the Previous Year. Such difference is mainly because the pandemic subsidies of approximately HK\$86.0 million recognised in the Previous Year have not recurred in the Year, and the various factors which affected the results from continuing operations as set out above.

The Company is still in the process of finalising the annual results of the Group for the Year. The Board wishes to emphasis that the information contained in this announcement is based on the preliminary review by the Board of the latest unaudited consolidated management accounts of the Group for the Year, which have not been audited by the Company's independent auditor and/or reviewed by audit committee of the Company. The actual annual results of the Group for the Year may differ from what is disclosed in this announcement. The audited annual results of the Group for the Year will be announced by end of March 2022.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 16 March 2022

*As at the date of this announcement, the Board comprises Mr. Kingston Chu Chun Ho (Chairman) as Executive Director; 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.*