GEMS EQUITY RESEARCH

ISDN Holdings Ltd

ISDN SP EQUITY

Initiation

PRIME ASIA
ASSET MANAGEMENT

Irvine Chiam
Head of investment Advisory
Irvine.chiam@pa-am.com

Classification Macro
Date 7 Sep 2026

Investment Thesis

ISDN Holdings is an SGX- and SEHK-listed industrial automation and engineering solutions provider with nearly four decades of operating history. The Group operates across five key pillars: Motion Control, System Solutions, Software, Precision Manufacturing and Renewable Energy.

ISDN's Industrial Automation business (which comprises 4 of the 5 pillars) is positioned to benefit from several overlapping secular and cyclical trends: (1) increasing automation demand from electronics, HDD and semiconductor manufacturing, (2) the ongoing "China+1" diversification of manufacturing into Southeast Asia, and (3) demographic pressures, rising labour costs and labour shortages driving greater adoption of automation. The Group expanded its footprint into Malaysia and Taiwan in 2024, strengthening its presence across key Asian manufacturing hubs and providing additional avenues for regional growth. The Group now has more than 75 locations and serves over 10,000 enterprise customers across Asia, with a presence in key markets including China, Singapore, Malaysia, Vietnam, Hong Kong, Taiwan, Indonesia and Thailand.

Alongside its more cyclical Industrial Automation business, ISDN has built a growing renewable-energy platform in Indonesia, initially focused on mini-hydropower projects. The Group currently has three operating plants, with two additional plants expected to commence operations by year-end, bringing the total to five. The five plants are estimated to generate approximately S$14–15m of annual cash flows once fully operational, providing a meaningful source of recurring earnings and partially diversifying the Group away from the industrial cycle. ISDN is also exploring branching into other renewable sources such as Solar coupled with Battery Energy Storage Systems (BESS).

Over time, ISDN has broadened its capabilities and moved beyond being primarily a supplier of servo-motor components to providing integrated automation and smart-manufacturing solutions. Its offering now encompasses proprietary software (end-to-end across CRM, ERP, Asset Mgt, OMS), IoT, cloud and AI-enabled control systems, alongside motion control and precision engineering. This broader capability allows ISDN to act as a comprehensive smart-manufacturing partner and increases the value-add it can capture from each customer engagement.

ISDN also maintains relationships with leading automation and motion-control companies including Yaskawa, Maxon (50% JV), Renishaw and Harmonic Drive, etc. Its multi-vendor model allows it to select components based on performance and cost-effectiveness and tailor solutions to customers' specific requirements. In-house software development and precision machining further enhance its ability to customise solutions and potentially capture higher value-added margins.

At market cap of ~S$308m, investors are effectively gaining exposure to an Industrial Automation business that looks to be entering a favourable cyclical upturn, as AI infrastructure investment drives semiconductor, HDD and electronics manufacturing capex. At the same time, the growing hydropower portfolio provides a relatively stable recurring earnings stream that helps offset the cyclicality of the automation business. The key attraction is therefore the combination of cyclical upside from Industrial Automation, structural growth from increasing automation penetration, and recurring cash flows from renewable energy. The hydropower portfolio could already account for a meaningful portion of the Group's market value on conservative assumptions, leaving the Industrial Automation business to support further upside if the semiconductor/electronics cycle accelerates, and ISDN's regional expansion gains traction.

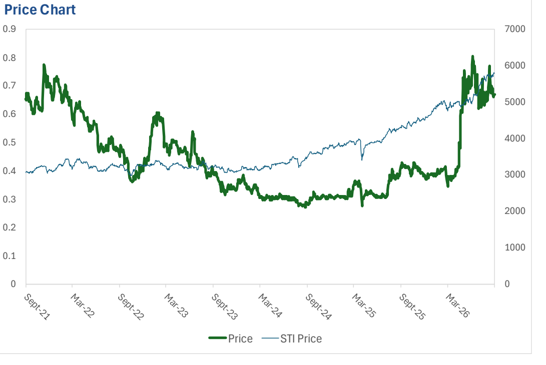
Key Financial Data

7 Sept 2026

Bloomberg Ticker	ISDN SP
Sector	Machinery-Diversified
Share Price	0.670
Market Cap (SGD mio)	308
Free Float	58.6
Major Shareholder	Teo Cher Koon (33%)
% of float held by institutional shareholders	4.7
Av. Daily Value Traded (3mths) (SGD)	5,111,209

Source: Bloomberg

Price Performance Chart



Source: Bloomberg

Financial Summary

In Millions (SGD)

Item	12/31/2023	12/31/2024	12/31/2025
Market Capitalisation	165.02	139.06	174.56
Enterprise Value	229.12	200.94	234.06
Net Debt	22.05	21.39	15.94
Revenue, Adj	341.77	372.44	440.18
Gross Profit, Adj	91.13	94.92	105.21
EBITDA, Adj	33.33	31.55	38.96
Net Income, Adj	6.28	8.38	6.86
EPS, Adj	0.01	0.02	0.02
Cash from Operations	(24.06)	18.17	20.39
Capital Expenditures	(4.36)	(7.52)	(6.72)
Free Cash Flow	(28.42)	10.64	13.68

Source: Bloomberg

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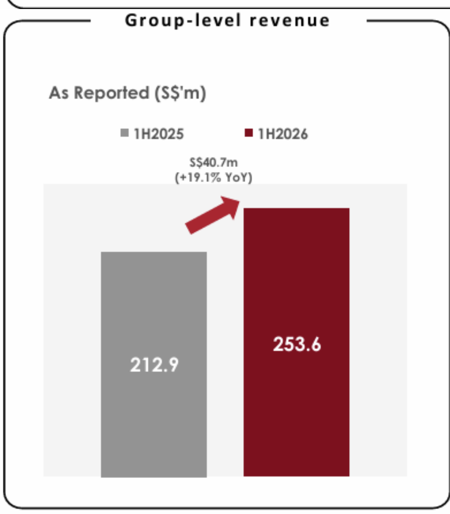
1H26 Update

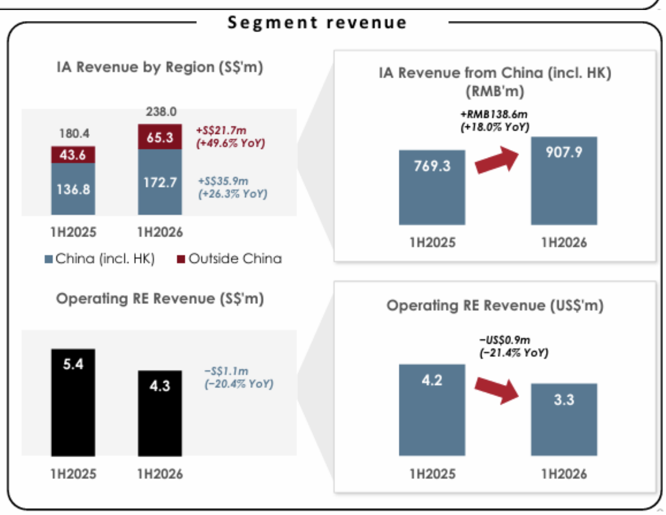
ISDN reported a strong 1H26, with revenue rising 19.1% YoY to S$253.6m and gross profit increasing 24.9% to S$63.1m, lifting gross margin by 1.2ppt to 24.9%. Growth was driven primarily by Industrial Automation, with China revenue up 26.3% and outside China up 49.6%. If we drill down further into end industries, both Robotics & Industrial Automation and Semiconductor segments showed very strong growth, together accounting for ~63% of Group revenue. Renewable Energy revenue declined 52% to S$15.6m, but this primarily reflects lower construction income as the 2 new mini-hydropower plants approached completion. Overall, PATMI rose strongly from S$1.3m to S$10.4m, supported by stronger gross profit and operating leverage.

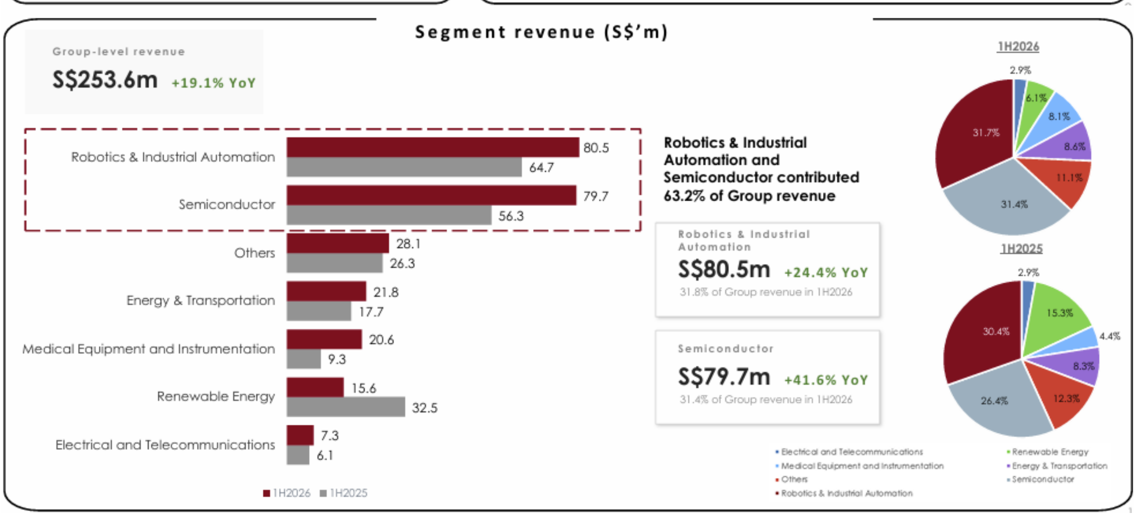
S$' million	1H2025	1H2026	YoY change
Revenue	212.9	253.6	+19.1%
Gross Profit	50.5	63.1	+24.9%
Gross margin (%)	23.7%	24.9%	+1.2ppt
Profit after tax	3.8	14.0	n.m
Profit attributable to shareholders	1.3	10.4	n.m
Net profit margin (%)	1.8	5.5	+3.7ppts

Revenue
- Industrial Automation (+31.9% YoY), Hydropower (-52.1% YoY)
- China (+26.3% YoY), Southeast Asia (+53.0% YoY)

Gross Profit and Margin
- Industrial Automation gross profit +33.9% YoY and margin +0.3 ppt YoY
- Hydropower gross profit -31.7% YoY and margin +9.1 ppts YoY







Source: ISDN

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Company Background

History: ISDN Holdings Limited was founded in 1986 and began its operations as a local startup supplier of servo motors in Singapore. Over four decades, the Company has evolved into a leading multi-national engineering and industrial automation platform in the Asia-Pacific region. To support its regional expansion, the Company was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST) on 24 November 2005. It subsequently completed a dual listing on the Main Board of The Stock Exchange of Hong Kong Limited (HKEX) on 12 January 2017. Today, ISDN employs 1429 employees across more than 75 locations in major industrial countries throughout Asia, supporting a diverse customer base.

Main Segments: The Group's operations are organized across two core business segments: Industrial Automation and Renewable Energy:

- ✓ <u>Industrial Automation:</u> This primary segment contributed approximately S$381.3m in FY2025, or 86.6% of group revenue of S$440.2m, selling motion-control components, precision-manufactured parts, engineered automation systems and software/integration to OEMs, factories and industrial customers. The industrial segment is structured around 4 primary pillars:
    - Motion Control: This forms the technological foundation of the Group, offering a full range of high-precision motion control solutions, including servo systems, linear motors, and positioning stages.
    - System Solutions: This pillar provides comprehensive systems engineering, integration, and lifecycle services, combining hardware and software to design complete automation lines for diverse industries.
    - Software: Launched in 2024, this software suite expands ISDN's capabilities into smart factories, smart warehouses, and data center efficiency solutions through industrial cloud and artificial intelligence (AI).
    - Precision Manufacturing: ISDN vertically integrates its offerings by manufacturing proprietary gearboxes, transmission elements, and specialized metal injection moldings, as well as high-specification hinges and locks (e.g. for BESS casings) under the Dirak brand.

- ✓ <u>Renewable Energy:</u> This segment focuses on run-of-river mini-hydropower plants in Indonesia. In FY2025, Renewable Energy revenue more than doubled to S$58.9 million (representing 13.4% of total Group revenue), up from S$22.3 million in FY2024. Growth in this segment was primarily driven by S$49.3 million in construction revenue recognized from the ongoing development of the Lau Biang 2 and Lau Biang 3 plants. The targeted completion of its fourth and fifth plants (Lau Biang 2 and Lau Biang 3) by the end of FY2026 is projected to increase total electricity capacity by 81% from 24.6MW to 44.6MW.

- ✓ ISDN's 67.1%-owned Aenergy subgroup operates the built-operate-transfer (BOT) and build-own-operate (BOO) type renewable energy business in North Sumatra, Indonesia. Under 25-year concession agreements (tariffs are in USD) with Indonesia's state-owned electricity utility PT PLN, Aenergy is responsible for the entire project lifecycle—including design, financing, construction, testing, commissioning and ongoing maintenance. Once operational, the plants sell 100% of their electricity output to PLN under long-term power purchase agreements, providing a contracted revenue stream. Under the BOT arrangement, at the end of each 25-year concession, ownership of the plants transfers to PLN at no further involvement from Aenergy.

- ✓ The five plants are estimated to generate approximately S$14–15m of annual cash flows once fully operational, providing a meaningful source of recurring earnings and partially diversifying the Group away from the industrial cycle. ISDN is also exploring branching into other renewable sources such as Solar coupled with Battery Energy Storage Systems (BESS).

Manufacturing Footprint and Geographic Diversification: ISDN has a broad Asia-Pacific commercial footprint, with more than 75 locations and over 10,000 enterprise customers across the region. Its sales and engineering network spans key industrial markets including China, Singapore, Malaysia, Vietnam, Hong Kong, Taiwan, Indonesia and Thailand, allowing it to provide local technical support and after-sales services to customers. In contrast, its manufacturing base is relatively concentrated, with three principal production locations: industrial campuses in Suzhou and Huzhou, Zhejiang, focused on precision machining, metal injection moulding, stamping, die casting and assembly, and a Taiwan facility producing linear and rotary direct-drive products and precision stages. This combination of a broad regional distribution/engineering network and concentrated manufacturing footprint allows ISDN to leverage economies of scale while remaining close to customers across Asia.

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Management: The executive leadership team and Board of Directors represent a balanced mix of technical, operational, and financial expertise:

- Teo Cher Koon (Managing Director, President, and Controlling Shareholder) : Mr. Teo joined the Group in 1987 and has been instrumental in growing ISDN from a local startup into a regional conglomerate. He is responsible for formulating corporate strategy, general management, procurement, and technical direction.
- Kong Deyang (Executive Director) : Mr. Kong joined the Board in September 2005 and is in charge of all aspects of business operations in the People's Republic of China (PRC), managing growth policies and day-to day operations.
- Heng Su-Ling Mae (Independent Non-Executive Chairlady): Ms. Heng has over 16 years of auditing and financial experience at Ernst & Young Singapore and specializes in accounting, corporate governance, and risk management.
- Lau Choon Guan (Group Vice President – Sales, Motion Control): Mr. Lau has over 30 years of experience with ISDN, having joined the Group in 1991 and risen to Vice President in 2005. He oversees sales and marketing and has extensive expertise across the Group's motion control business.
- Wong Kwok Whye Peter (Vice President): Mr. Wong has over 20 years of experience in motion control, covering sales, marketing, product development, technical support and training. He joined the Group in 1996 and currently leads engineering and customer support at Leaptron Engineering, while overseeing technical training for staff and customers.
- Tay Geok Kee (Group Chief Technology Officer): Mr. Tay joined the Group in 2019 and was promoted to CTO in January 2022, overseeing the expansion of ISDN's thought leadership and software/cloud capabilities in Industry 4.0.
- Ho Ting Wai Christine (Group Chief Financial Officer): Ms. Ho joined ISDN in 2016 and is responsible for the Group's accounting, compliance, internal controls, and corporate reporting.

Company Fundamentals: Competition/Moat

Value-added automation integrator rather than proprietary-equipment OEM: ISDN sits in the middle of the automation value chain as a value-added distributor and systems-integration partner rather than a proprietary equipment manufacturer. Global component leaders such as Yaskawa, Maxon, Renishaw and Harmonic Drive provide the underlying motion-control technologies, while ISDN differentiates through customer relationships, integration, application engineering, local inventory, commissioning and after-sales support.

Service- and relationship-based niche: ISDN's competitive advantage is primarily technical and relational rather than capital-intensive. Application know-how, engineering resources located close to customers and established relationships with automation accounts allow the Group to provide integration and uptime solutions and potentially expand its share of customer spending. The market remains fragmented and technically demanding, although pricing power is limited for standard components and improves when projects require customised system design, precision manufacturing or software integration. In China, the key competitive threat is increasingly capable domestic Chinese servo and drive manufacturers such as Inovance, Delta and Estun, which could put pressure on ISDN's margins. More broadly, the absence of proprietary component technology limits ISDN's ability to capture higher economic rents and leaves the business exposed to principal and competitor pricing.

Industry & Macro Outlook

AI Infrastructure Spending Driving the Semiconductor Cycle and Power Infrastructure Investment: Rising AI-related capex by global hyperscalers is driving substantial investment not only in advanced semiconductor fabrication, packaging and testing capacity, but also in the power infrastructure required to support rapidly expanding AI data centres. Advanced chipmaking requires highly automated and precise material-handling and positioning systems, including servo motors, wafer-transfer robots and linear motion technologies, providing a structural growth opportunity for ISDN's industrial automation business. At the same time, the significant power intensity of AI data centres is accelerating investment in new power-generation capacity, grid infrastructure and energy storage, while increasing the need for alternative energy sources such as hydropower, solar and other renewables. This creates additional opportunities for ISDN where the broader adoption of energy storage and power-management technologies further expand demand across ISDN's automation and engineering capabilities.

'China Plus One' Supply Chain Realignment: International OEMs are increasingly diversifying their manufacturing footprints beyond mainland China to mitigate tariff, geopolitical and supply-chain risks. This "China+1" strategy is driving investment into Southeast Asia, particularly Malaysia, Vietnam and Thailand, while Singapore continues to attract higher-value manufacturing and technology investments. The resulting development of new factories, semiconductor and electronics facilities, and advanced industrial parks is creating additional demand for local automation, motion-control and precision-engineering solutions.

Structural Automation Adoption: Demographic pressures, rising labour costs and government support for advanced manufacturing are driving a structural increase in automation adoption across China and developed Asia. Manufacturers are increasingly investing in labour-saving equipment, industrial robotics and software-enabled system integration to address labour shortages, improve productivity and maintain cost competitiveness. This provides a long-term structural tailwind for ISDN's industrial automation business.

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Potential Catalysts

Commercialization of Lau Biang 2 and Lau Biang 3 Hydropower Plants (Expected by End-FY2026):

The construction of ISDN's fourth and fifth mini-hydropower plants in Indonesia remains on track, with completion and commercial operations slated for the end of FY2026. Upon commencement, these facilities are projected to increase the Group's total installed clean energy capacity by 81.3% from 24.6MW to 44.6MW. The 5 operating plants are expected to generate cash flow net of operating costs of approximately S$14-15 million per annum.

NovaPeak AI Drone Inspection Contract Commencement (Commencing 2026):

NovaPeak Pte. Ltd., an incubated subsidiary of ISDN, secured a S$1.0 million contract with the Housing & Development Board (HDB) of Singapore to provide AI-driven, drone-based facade inspections. This project represents the commercialization edge of the Group's incubated high-tech startups. Commercial execution and additional contract wins within Singapore's built environment sector represent a catalyst over the next 12 months.

Scaling Production at Taiwan Taichung Facility (Ongoing 2026):

Officially opened in April 2025, ISDN's Taichung facility (operated under ISDN Precision System) represents a multi-million NT dollar investment to capture Taiwan's high-growth semiconductor, optics, and EV markets. Over the next 12 months, local production of linear motors, high-precision gantries, and customized mechatronics is expected to scale, representing a significant strategic expansion outside China.

Financial performance reporting remains a key window for demonstrating the cyclical recovery in industrial automation:

Financial reporting should show increasing acceleration in Industrial Automation and the Group should continue to benefit from operating leverage as revenue scales.

Investment Risks

Sector Concentration Risk and Cyclicality:

While ISDN successfully manages individual client credit and default risks with no single external customer contributing more than 10% of total revenue, it remains exposed to sector-level concentration. The industrial automation segment is highly concentrated in the semiconductor, HDD and electronics industries. This concentration was evident during the global technology downcycle when a sharp decline in capital expenditures by back-end semiconductor equipment manufacturers significantly squeezed the Group's margins. Although the Group actively diversifies into non-cyclical verticals like medical devices, food and beverage packaging, and industrial robotics, a prolonged downturn in the global semiconductor sector remains a key risk.

Regulatory Exposure and Compliance Risks:

The Group's expansion of its mini-hydropower plants in Indonesia exposes it to evolving environmental regulations, land-use permits, and local power purchase agreements with state utility PT PLN. Stricter climate-related reporting and carbon mandates in China, Hong Kong, and Singapore also increase compliance costs.

Complexities across large number of subsidiaries across many jurisdictions:

The operational complexity of managing 98 subsidiaries across multiple jurisdictions presents continuous internal control and oversight challenges.

Regional Execution Challenges and Geopolitical Headwinds:

A substantial portion of ISDN's revenues is tied to customers located in China, exposing the Group to regional economic slowdowns and geopolitical trade disputes. Changes in trade policies and tariff hikes between major global powers create uncertainty for the Group's customers and can delay capital expenditure decisions.

Managing project timelines in remote mini-hydropower sites in Indonesia also exposes the Group to execution risks, local infrastructure bottlenecks, and construction delays.

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SWOT Analysis

Strengths	Weakness
Diversified Platform and Customer Base: The Group operates a highly diversified platform model supporting over 10,000 active business customers across multiple industrial verticals. This extensive customer base minimizes reliance on any single manufacturer or customer. Established "Asia-for-Asia" Footprint: ISDN operates over 75 locations across Singapore, China, Hong Kong, Malaysia, Vietnam, Thailand, Taiwan, and Indonesia. This regional presence allows the Group to provide local engineering support and cross-border integration services to multinational clients. Full-Stack Technological Capabilities: The Group has successfully moved up the technology stack, shifting from a supplier of servo motor components to delivering integrated solutions including advanced software, IoT, cloud, and AI control systems. This allows ISDN to act as a comprehensive smart manufacturing partner. Strong engineering capabilities: ISDN has local application engineering, commissioning and after-sales capabilities across factories in Asia, enabling it to provide highly customised automation solutions. Its multi-vendor platform allows the Group to select components based on performance and cost-effectiveness, while in-house precision machining and software development capabilities further enhance its ability to customise solutions. This positions ISDN particularly well in high-mix, low-volume applications, where customers require tailored system solutions rather than standardised products. Access to leading global principals: ISDN has established relationships with leading automation and motion-control companies including Yaskawa, Maxon, Renishaw and Harmonic Drive, etc. Its JV with Maxon further deepens this relationship and enhances ISDN's access to advanced motion-control technologies, strengthening its ability to provide integrated and customised automation solutions. Defensive Utility Buffer: The Group's operating mini-hydropower plants in Indonesia generate predictable, recurring, non-cyclical cash flows. This segment provides financial resilience when the industrial sector experiences cyclical downturns.	Cyclical Sector Exposure: The Group is heavily exposed to the cyclicality of the electronics, HDD and semiconductor sectors. Cyclic downcycles in back-end capital equipment directly affect margins and top-line performance. Complex Organizational Structure: Operating with 98 subsidiaries across multiple countries creates administrative complexity. This vast network can challenge centralized oversight and pose operational risks if local internal controls fail. Susceptibility to Foreign Exchange Volatility: The Group's expanding multinational operations expose it to foreign currency risks, particularly through its long-term renewable-energy contracts in Indonesia. In FY2025, ISDN recorded S$5.1 million of net foreign exchange losses, of which S$4.5 million was unrealised and non-cash. The losses were primarily related to the revaluation of long-term energy contracts, driven by the weakening of the USD against the Singapore dollar and strengthening of the USD against the Indonesian rupiah. While these losses reduced reported net profit, they do not reflect an underlying deterioration in the economics of the Group's renewable-energy assets. Thin margins: Operating margins in the mid- to high-single digits indicates relatively modest value capture and leaves limited buffer against cyclical downturns. Even if ISDN's engineering capabilities and principal relationships provide competitive advantages, the relatively low margin base means that negative operating leverage during periods of weaker demand could result in a sharp compression in earnings, potentially pushing some businesses toward breakeven or losses. Geographical concentration: Approximately 71% of Industrial Automation revenue is generated in the PRC, resulting in significant exposure to China's industrial cycle and manufacturing investment. A slowdown in Chinese industrial activity could therefore weigh disproportionately on Industrial Automation revenue and earnings.

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SWOT Analysis

Opportunities	**Threats**
Geographic Supply Chain Realignment: The structural transition of manufacturing under "China+1" strategies drives massive foreign direct investment into Southeast Asia. ISDN's established hubs in Singapore, Malaysia, and Vietnam are strategically positioned to capture this demand. Structural Automation Demand in China: Rising labour costs, demographic pressures and labour shortages are driving manufacturers to automate production and improve productivity. Government initiatives promoting equipment upgrades, digitalisation and smart-factory development provide an additional structural tailwind, supporting long-term demand for precision motion-control and automation systems. High-Growth Advanced Semiconductor Hubs: Expanding local facilities in Taiwan and Malaysia positions the Group in close proximity to massive capital expenditure in wafer fabrication, packaging, and testing facilities. Expanding Renewable Generation Capacity: The targeted completion of the Lau Biang 2 and Lau Biang 3 mini-hydropower plants in Indonesia by the end of FY2026 will raise total capacity by 81.3% to 44.6MW, boosting recurring tariff income.	Escalating International Trade Tensions: Ongoing trade frictions, export restrictions, and tariff adjustments between the United States and China pose risks to customer sentiment and can disrupt international manufacturing supply chains. Climate Change and Hydrological Risks: The Group's renewable energy segment is highly vulnerable to climate-related changes in precipitation and river flow variability in Indonesia. Extended dry seasons or unpredictable rainfall patterns can directly reduce electricity generation and tariff yields.

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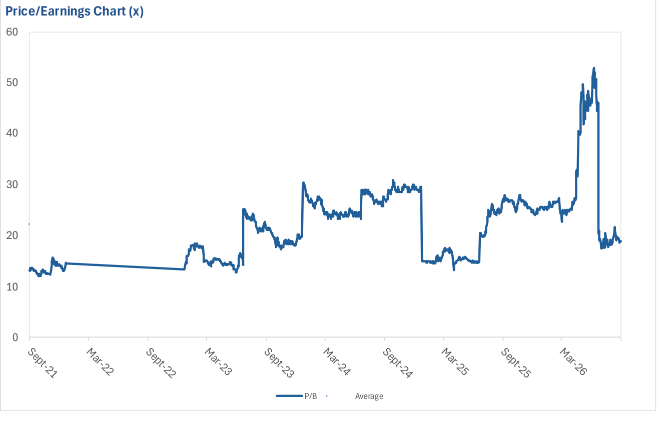
Comparables & Valuation Analysis

	Share Price	Market Cap (SGDmio)	P/E	EV/ EBITDA	P/B	P/S	Dividend Yield	FCF Yield	Revenue Growth	EBITDA Growth	EPS Growth	EBITDA Margin	Net Margin
ISDN Holdings Ltd	0.67	308	18.89	6.01	1.36	0.63	0.79	1.98	18.19	22.39	-18.70	9.69	1.53
Frencken Group Ltd	2.4	1,137	27.52	6.31	2.12	1.19	1.15	5.12	8.91	1.01	4.64	10.15	4.52
Micro-Mechanics Holdings Ltd	2.65	368	23.15	13.45	6.41	4.88	2.26	4.94	15.82	20.60	28.24	36.30	21.06
CSE Global Ltd	1.19	868	25.03	11.86	2.96	0.79	1.99	-4.96	12.51	1.01	22.20	7.71	3.87
People & Technology Inc	30050	670	8.41	10.49	0.96	1.00	0.67	-3.01	-28.03	-37.89	-47.83	12.38	9.98
Mirle Automation Corp	203	1,782	698.19	144.96	7.77	5.70	0.12	1.52	-10.95	-58.99	-	3.46	-2.58

Source: Bloomberg



Source: Bloomberg

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Dividend Policy

ISDN's stated policy is to target an annual dividend payout of 25% of net profit attributable to shareholders. However, this is a target rather than a hard minimum. Since 2017, it has met its target for dividend payout.

ESG & Sustainability

Environmental Initiatives

ISDN has integrated sustainability into its growth strategy, targeting carbon neutrality by 2060 and prioritising direct emissions reductions rather than carbon offsets. In FY2025, Scope 1 emissions increased modestly to 955.4 tCO_2e, while Scope 2 emissions rose to 2,017.1 tCO_2e, remaining the largest component of the Group's operational emissions. Reported Scope 3 emissions increased to 29,589.5 tCO_2e, largely reflecting an expansion of the reporting boundary to include purchased goods and services and fuel- and energy-related activities; on a like-for-like basis, Scope 3 emissions were 126.1 tCO_2e. Meanwhile, Scope 1 and 2 emissions intensity improved to 6.75 tCO_2e per S$1m of revenue, representing a 40% reduction from the FY2022 base period and comfortably below the FY2025 interim target of 8.5 tCO_2e, supported by energy-efficiency initiatives, equipment upgrades, fuel conservation and greater investment in renewable energy.

Social and Labour

ISDN maintains policies focused on equal opportunity, non-discrimination and workforce diversity across its regional operations. Given the traditionally male-dominated nature of industrial automation and engineering, the Group monitors its workforce composition and maintained an approximately 2:1 male-to-female ratio in FY2025. It formalised this commitment through the adoption of a Workforce Diversity Policy in November 2025. At board level, ISDN achieved its FY2025 gender-diversity target following the appointment of Heng Su-Ling Mae as an Independent Non-Executive Director in April 2024. As at FY2025 year-end, three of the six directors were independent, representing 50% of the Board.

Corporate Governance Framework

The primary functions of the Board are to provide entrepreneurial leadership for the Company and its subsidiaries, to establish and promulgate the Group's values and standards, and to enhance and protect long-term returns and value for Shareholders. In addition to carrying out its statutory responsibilities, the Board oversees the formulation of the Group's long-term strategic objectives and directions, reviews and approves the Group's business and strategic plans, and monitors the achievement of the Group's corporate objectives. It also reviews the performance of the management of the Group, oversees the management of the Group's business affairs, conducts periodic reviews of the Group's financial performance, and implements policies relating to financial matters, which include risk management, internal controls, sustainability issues and compliance.

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Glossary

Traffic Light
Green - currently in play
Dark Green - appears to be later stage
Amber - nascent & waiting to be in play
Red - still in the crosshairs of poor sentiment

Feature - General feature piece on a Company
Macro - Company that is benefitting from macroeconomic and/or industry tailwinds
Quality Compounder - Company with strong moat and compounding in a secularly expanding market
Narrative - Company that is benefitting from very strong narratives and sentiment
Value - Company that has strong fundamentals but is facing what appears to be transient headwinds

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