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ISDN HOLDINGS LIMITED

億仕登控股有限公司

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong stock code: 1656)

(Singapore stock code: I07.SI)

OVERSEAS REGULATORY ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached announcement which has been published by ISDN Holdings Limited (the “**Company**”) on the website of the Singapore Exchange Securities Trading Limited on 12 August 2022.

By Order of the Board
ISDN HOLDINGS LIMITED
Teo Cher Koon
President and Managing Director

Hong Kong, 12 August 2022

As at the date of this announcement, the board of directors of the Company comprises Mr. Teo Cher Koon and Mr. Kong Deyang as executive directors of the Company; Mr. Toh Hsiang-Wen Keith as non-executive director of the Company; and Mr. Lim Siang Kai (Chairman), Mr. Soh Beng Keng and Mr. Tan Soon Liang as independent non-executive directors of the Company.

1H 2022 Financial Review



1H22 performance: April-May impact in PRC, growth in other regions

S\$'000	1H2022	1H2021	YoY % Change
Revenue	190,707	217,158	-12.2
Gross Profit	54,078	58,193	-7.1
Gross Profit Margin (%)	28.4%	26.8%	+1.6 ppt
Operating Expenses	34,373	33,429	+2.8
Profit Before Tax	20,713	26,066	-20.5
Profit After Tax	16,133	19,388	-16.8
Profit Attributable to Shareholders	11,070	12,167	-9.0
Net Profit Margin (%)	8.5	8.9	-0.4 ppt

1H22 impacted by disruption from COVID-19 measures in China, with solid growth elsewhere

- Industry-wide disruption in April-May 2022 impacted over 350 million people in PRC representing 40% of GDP^(a)
- Lockdowns in China impacted incoming supply, outbound distribution, sales & customer engineering for ISDN
- Significant recovery in PRC order book in June and July 2022 since lockdowns lifted
- Strong performance elsewhere, with 1H22 revenue growing +29% YoY outside of PRC

Source

^(a) Nomura (2022)

1H22 performance: ISDN was able to cushion some gross margin impact

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● **Business mix** helped offset gross margin impact

- Group was able to mitigate some of the sudden impact to the business to protect gross margins
- Better inventory management met immediate customers' need during current global supply chain disruption
- The group was benefiting from growing demand for industrial transformation and digitalization, which offered better margins.

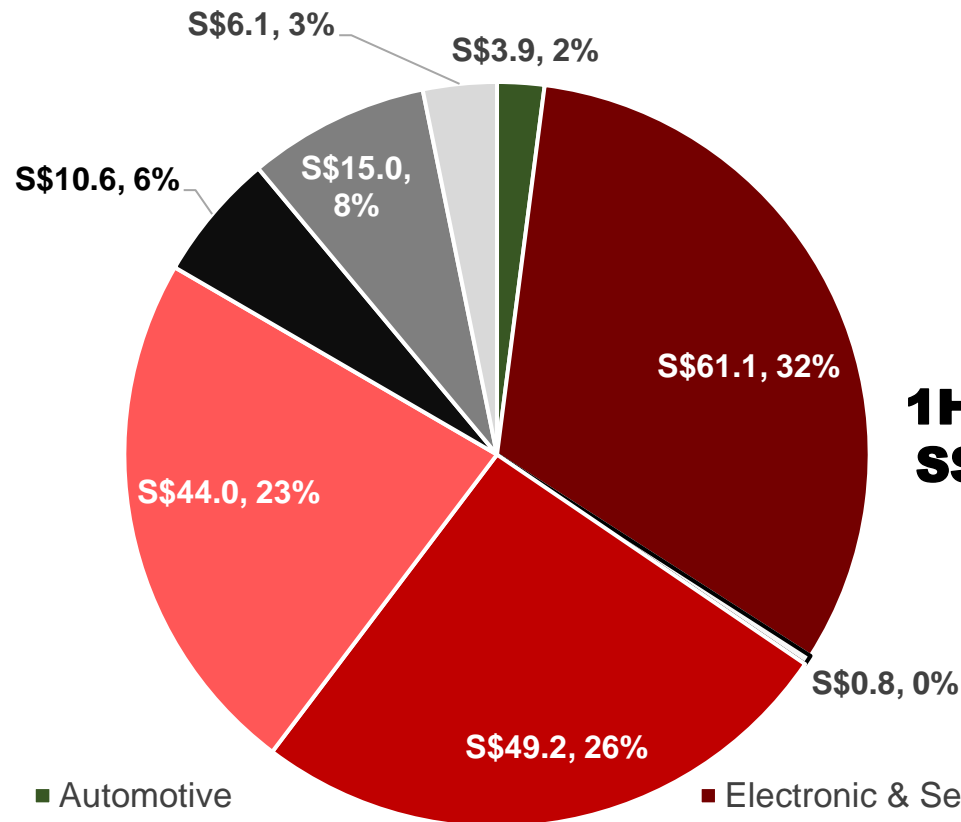
1H22 performance: additional measures to protect shareholder earnings

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- We acted to reduce impact to shareholders**
12% revenue impact => 9% earnings impact
- Better financial performance of our wholly owned subsidiaries
 - Effective cost measures across our regional operations

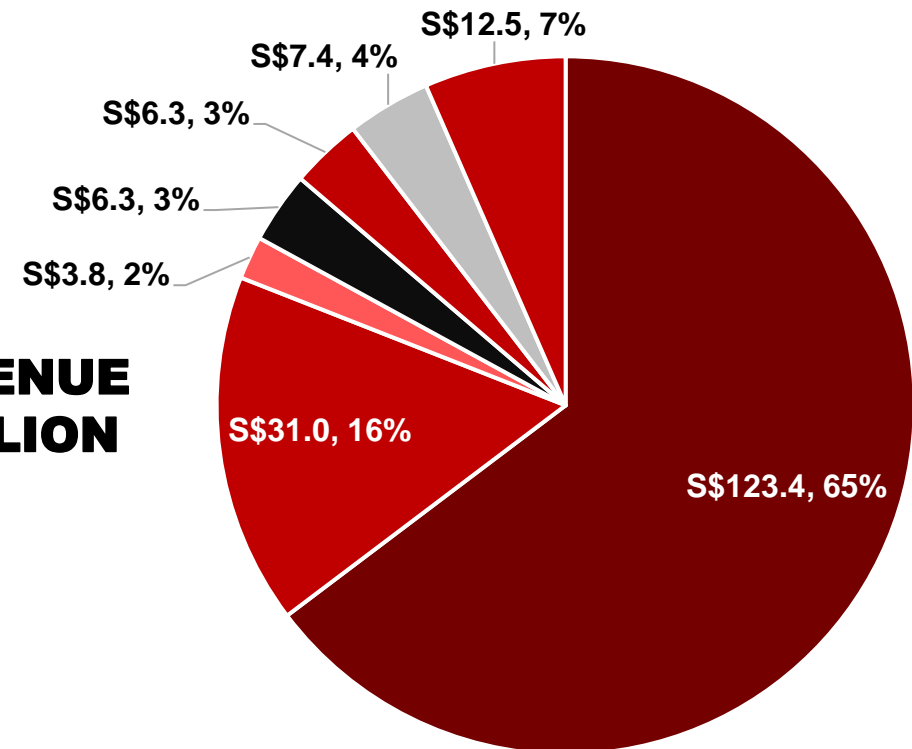
Solid diversification in industries and strategic geographies in a risk climate

BY END-INDUSTRIES



- Automotive
- Food & Beverage
- Machine Tools
- Others
- Electronic & Semiconductor
- Industrial Robotic
- Medical Device
- Renewable Energy

BY GEOGRAPHY



- PRC
- Hong Kong
- Indonesia
- Others
- Singapore
- Malaysia
- Vietnam

Shareholder dividend trend

The Group's new dividend policy from FY2017 targets to provide shareholders an annual dividend payout of 25% of the net profit attributable to shareholders

Singapore cents per share

