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億仕登控股
ISDN Holdings
LIMITED

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: 107.SI)

ANNOUNCEMENT OF QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2018

The announcement is made pursuant to Inside Information Provision under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This announcement is originally prepared in English. In case of any inconsistency between the English version and the Chinese version, the English version shall prevail.

This quarterly report is prepared in accordance with relevant regulations of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The financial information set out in this report has been prepared in accordance with Singapore Financial Reporting Standard and has not been audited nor reviewed by auditors. Shareholders of ISDN Holdings Limited (the “Company”) and public investors should exercise caution when trading in the shares of the Company.

By order of the Board
ISDN HOLDINGS LIMITED
Mr. Tang Chi Chiu
Joint Company Secretary

Hong Kong, 14 May 2018

As of the date of this announcement, the Board comprises Mr. Teo Cher Koon and Mr. Kong Deyang as executive directors 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.



(Company Registration No.: 200416788Z)

ISDN Holdings Limited
Financial Statements Announcement
For the First Quarter and Period Ended 31 March 2018

1(a)(i) A STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND PERIOD ENDED 31 MARCH 2018

An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial period.

	GROUP		
	3 months ended 31 March		%
	2018	2017	change
	S\$'000	S\$'000	+/(-)
Revenue	76,192	67,662	12.6%
Cost of sales	(56,839)	(50,294)	13.0%
Gross profit	19,353	17,368	
Other operating income	1,890	708	n.m.
Distribution costs	(6,212)	(5,604)	10.8%
Administrative expenses	(6,371)	(7,570)	-15.8%
Other operating expenses	(79)	(1,287)	-93.9%
Finance costs	(233)	(246)	-5.3%
Share of profit of associates	441	319	38.2%
Profit before taxation	8,789	3,688	n.m.
Income tax expense	(1,940)	(1,038)	86.9%
Profit for the period	6,849	2,650	n.m.
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit and loss			
Exchange differences on translation of foreign operations			
Profit/(loss) on translation of foreign operations	1,876	(1,050)	n.m.
Total comprehensive income for the period	8,725	1,600	n.m.
Profit for the period attributable to:			
Equity holders of the Company	5,198	1,721	n.m.
Non-controlling interest	1,651	929	77.7%
	6,849	2,650	n.m.
Total comprehensive income for the period attributable to:			
Owners of the Company	6,935	890	n.m.
Non-controlling interest	1,790	710	n.m.
	8,725	1,600	n.m.

n.m.: Not meaningful

(1)(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

	GROUP		
	3 months ended		
	31 March		
	2018	2017	% change
	S\$'000	S\$'000	+ / (-)
Profit from operations is determined after (crediting)/charging the following:			
Allowance for impairment of trade receivables	1	2	-50.0%
Allowance for inventories obsolescence	38	267	-85.8%
Amortisation and Depreciation	527	571	-7.7%
Interest income	(26)	(46)	-43.5%
Foreign exchange (gain)/loss, net	(5)	1,005	n.m.
Gain on disposal of interest in subsidiary	-	(90)	n.m.
Gain on disposal of property, plant and equipment	(151)	-	n.m.
Inventories written off	2	3	-33.3%
Over provision of tax in respect of prior year	<u>(163)</u>	<u>(6)</u>	n.m.
Trade receivables written off	5	-	n.m.

n.m: Not meaningful

(1)(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	27,753	27,326	-	-
Investment properties	501	504	-	-
Land use rights	1,347	1,338	-	-
Goodwill	11,686	11,686	-	-
Interests in subsidiaries	-	-	36,653	36,653
Interests in associates	18,745	18,352	124	124
Deferred tax assets	251	316	324	-
	60,283	59,522	37,101	36,777
Current assets				
Inventories	48,184	50,003	-	-
Trade and other receivables	98,729	89,164	95	115
Amounts due from subsidiaries	-	-	41,391	42,049
Dividend receivables	-	-	4,918	6,938
Cash and bank balances	34,172	38,303	3,682	2,692
	181,085	177,470	50,086	51,794
Current liabilities				
Bank borrowings				
Finance leases	12,745	14,302	3,000	3,000
Trade and other payables	136	160	-	-
Current tax liabilities	64,965	68,694	6,038	6,556
	2,500	1,437	-	-
	80,346	84,593	9,038	9,556
Net current assets	100,739	92,877	41,048	42,238
Non-current liabilities				
Bank borrowings	132	159	-	-
Finance leases	273	82	-	-
Deferred tax liabilities	-	266	-	-
	405	507	-	-
Net assets	160,617	151,892	78,149	79,015
Equity				
Share capital	70,981	70,981	70,981	70,981
Warrants issue	3,384	3,384	3,384	3,384
Reserves	69,248	62,313	3,784	4,650
Equity attributable to owners of the Company	143,613	136,678	78,149	79,015
Non-controlling interests	17,004	15,214	-	-
Total equity	160,617	151,892	78,149	79,015

(1)(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

The amount repayable in one year or less, or on demand:

As at 31 March 2018		As at 31 December 2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,091	11,790	1,180	13,282

The amount repayable after one year;

As at 31 March 2018		As at 31 December 2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
273	132	82	159

Details of any collateral:

The secured borrowings relate to:-

- 1) The finance lease obligations of various subsidiaries which are secured against respective assets under the finance lease arrangement.
- 2) Legal mortgages over land use rights and leasehold property of subsidiaries for a term loan. The said facilities are also secured by corporate guarantee provided by the Company and other subsidiaries as well as personal guarantee by the directors of the subsidiaries.

(1)(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP	
	Period ended	
	31 March	
	2018	2017
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit before income tax	8,789	3,688
Adjustments for:		
Amortisation of land use right	11	10
Trade receivables written off	5	-
Depreciation of property, plant and equipment	507	551
Depreciation of investment properties	9	10
Allowance for inventory obsolescence	38	267
Allowance for impairment of trade receivables	1	2
Gain on on disposal of interests in subsidiary	-	(90)
Gain on disposal of property, plant and equipment	(129)	-
Inventories written off	2	3
Write back of allowance for inventory obsolescence	(51)	(31)
Interest expenses	233	246
Interest income	(26)	(46)
Share of profit of associates	(441)	(319)
Unrealised foreign exchange differences	1,259	(646)
Operating cash flow before working capital changes	10,207	3,645
Changes in working capital:		
Inventories	1,829	(4,791)
Trade and other receivables	(9,322)	(7,638)
Trade and other payables	(2,106)	399
Cash generated from/(used in) operations	608	(8,385)
Interest expenses	(233)	(246)
Interest income	26	46
Income tax paid	(1,078)	(1,566)
Net cash used in operating activities	(677)	(10,151)

(1)(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year. Cont'd

	GROUP	
	Period ended 31 March	
	2018	2017
	S\$'000	S\$'000
Cash flows from investing activities:		
Purchase of property, plant and equipment	(652)	(331)
Proceeds from disposal of property, plant and equipment	308	-
Loan to associates	(250)	-
Funds to investee company	-	(379)
Net cash used in investing activities	(594)	(710)
Cash flows from financing activities:		
Dividends to non-controlling interests	(1,534)	(60)
Repayment from associates	-	84
Proceeds from bank borrowings	-	5,337
Repayment of bank borrowings	(1,533)	(7,329)
Repayments of trust receipts, net	(51)	(902)
Proceed from/(repayment of) finance lease	167	(37)
Decrease in fixed deposits pledged	-	1,041
Proceeds from public share offer	-	8,573
Net cash (used in)/generated from financing activities	(2,951)	6,707
Net decrease in cash and cash equivalents	(4,222)	(4,154)
Cash and cash equivalents at the beginning of financial period	38,053	37,292
Effect of currency translation on cash and cash equivalents	91	63
Cash and cash equivalents at the end of financial period	33,922	33,201
Additional information:		
Cash and bank balances	33,866	31,254
Fixed deposits	306	2,297
Less: bank deposits pledged	(250)	(350)
Total cash and cash equivalents	33,922	33,201



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(1)(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Warrants issue	Merger reserve	Foreign currency translation reserve	Other reserves	Retained earnings	Total	Non- controlling interest	Total equity
Group	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2018	70,981	3,384	(436)	(2,071)	4,921	59,899	136,678	15,214	151,892
Net profit for the period	-	-	-	-	-	5,198	5,198	1,651	6,849
Other comprehensive income for the period	-	-	-	1,737	-	-	1,737	139	1,876
Total comprehensive income for the period	-	-	-	1,737	-	5,198	6,935	1,790	8,725
Balance as at 31 March 2018	70,981	3,384	(436)	(334)	4,921	65,097	143,613	17,004	160,617
Balance at 1 January 2017	62,408	3,384	(436)	(1,269)	4,694	52,436	121,217	14,927	136,144
Net profit for the period	-	-	-	-	-	1,721	1,721	929	2,650
Other comprehensive loss for the period	-	-	-	(831)	-	-	(831)	(291)	(1,050)
Total comprehensive income for the period	-	-	-	(831)	-	1,721	890	710	1,600
Increase in share capital arising from share offer:									
Consideration shares	9,373	-	-	-	-	-	9,373	-	9,373
Share issue expenses	(800)	-	-	-	-	-	(800)	-	(800)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(60)	(60)
De-recognition of a subsidiary	-	-	-	-	-	-	-	28	28
Balance as at 31 March 2017	70,981	3,384	(436)	(2,100)	4,694	54,157	130,680	15,605	146,285

(1)(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Company	Share capital S\$'000	Warrants Issue S\$'000	Others reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2018	70,981	3,384	(178)	4,828	79,015
Total comprehensive loss for the period	-	-	-	(866)	(866)
Balance at 31 March 2018	70,981	3,384	(178)	3,962	78,149
Balance at 1 January 2017	62,408	3,384	(178)	2,893	68,507
Total comprehensive loss for the period	-	-	-	(1,991)	(1,991)
Increase in share capital arising from share offer:					
Consideration shares	9,373	-	-	-	9,373
Share issue expenses	(800)	-	-	-	(800)
Balance at 31 March 2017	70,981	3,384	(178)	902	75,089

(1)(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There are no changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

The number of outstanding shares as at 31 March 2018 is 394,684,950. (31 March 2017: 394,684,950). No treasury shares were held as at 31 March 2018 (31 March 2017: nil). The number of shares held as subsidiary holdings as at 31 March 2018 is nil (31 March 2017: nil).

As at 31 March 2018, the outstanding convertibles are 179,972,475 warrants that can be convertible into ordinary shares of 179,972,475 (31 March 2017: 179,972,475).

In 2013, the Company issued 179,972,475 warrants at an issue price of S\$0.02 for each warrant. Each warrant carries the right to subscribe for one new ordinary share of the Company at an exercise price of S\$0.60 for each new share and expiring on the date immediately preceding the fifth anniversary of the date of issue of the warrants i.e. 9 November 2018.

(1)(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year.

	GROUP & COMPANY	
	31 March 2018	31 December 2017
Total number of issued shares	394,684,950	354,684,950
Add: Share Offers	-	40,000,000
Total number of issued shares excluding treasury shares	394,684,950	394,684,950

Shares of Group have been listed on the main board of The Stock Exchange of Hong Kong Limited (the "Listing") since 12 January 2017 (the "Listing Date") of the issuance and allotment of 40 million new ordinary shares.

(1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no treasury shares as at 31 March 2018 and 31 December 2017.

2. Whether the figures have been audited, or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statement announcement for the period ended 31 March 2018 as those used for the audited financial statement as at 31 December 2017, save as disclosed in paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted all of the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are effective for the financial period beginning 1 January 2018 and are relevant to its operations.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

GROUP	
Period ended 31 March	
2018	2017
Weighted average number of ordinary shares in issue for basic EPS (net of treasury shares)	394,684,950 389,796,061
Weighted average number of ordinary shares in issue for diluted EPS (net of treasury shares)	394,684,950 389,796,061
EPS (based on consolidated net profit attributable to shareholders)	
(i) Based on weighted average number of ordinary shares in issue	1.32 0.44
(ii) On a fully diluted basis	1.32 0.44
	(S\$ cents) (S\$ cents)

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP		COMPANY	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Net assets (S\$'000)	160,617	151,892	78,149	79,015
Issued share capital at the end of the year (net of treasury shares)	394,684,950	394,684,950	394,684,950	394,684,950
Net assets value per ordinary share based on issued share capital as at respective year	40.69	38.48	19.80	20.02
	(S\$ cents)	(S\$ cents)	(S\$ cents)	(S\$ cents)

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME ITEMS

Revenue and Gross Profit Margin

The Group recorded an increase in total revenue of approximately S\$8.5 million or 12.6% from S\$67.7 million for the three months ended 31 March 2017 ("1Q2017") to S\$76.2 million for the three months ended 31 March 2018 ("1Q2018").

The gross profit for the 1Q2018 increased by S\$2.0 million, or 11.4%, from S\$17.4 million in 1Q2017 to S\$19.4 million in 1Q2018. The overall gross profit margin for 1Q2018 remained relatively stable as compared to 1Q2017.

Our core motion control solutions continued to sustain a steady growth in 1Q2018 which was driven by the growing demands for high-tech precision control systems from medical device manufacturers, coupled with the growing customer base and orders especially in PRC. Further, the adoption of advanced and automated process for industrial robots in manufacturing processes still are also the key factors driving our businesses in Southeast Asia Region, including Singapore and Vietnam.

Other operating income

Other operating income increased by approximately S\$1.2 million, or >100% to S\$1.9 million for 1Q2018. The increase was mainly contributed by the increase of the followings: (i) increase in gain on disposal of property, plant and equipment of S\$0.2 million, (ii) increase in commission income of approximately S\$0.5 million derived from the suppliers; (iii) technical consultancy income of S\$0.5 million.

Distribution costs

Distribution costs increased by approximately S\$0.5 million or 9.0% from S\$5.6 million for 1Q2017 to S\$6.1 million for 1Q2018 primarily due to increase of overseas exhibitions expenses and employment benefits of S\$0.8 million and S\$0.2 million respectively. However, part of the increase is offset by the decrease in office sundry expenses of S\$0.5 million.

Administrative expenses

Administrative expenses decreased by approximately S\$1.2 million or 15.8% from S\$7.6 million for 1Q2017 to S\$6.4 million for 1Q2018 primarily due to decrease in one-off listing expenses of approximately S\$1.1 million incurred in 1Q2017 (1Q2018: Nil).

Other operating expenses

Other operating expenses decreased by approximately S\$1.2 million or 93.9% to S\$0.1 million for 1Q2018 mainly due to no net foreign exchange losses in 1Q2018 as the Singapore dollar had strengthened against United States dollars for current reporting period.



8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on. (Cont'd)

STATEMENT OF COMPREHENSIVE INCOME ITEMS (CONT'D)

Finance costs

Finance costs remained relatively stable for 1Q2018 compared with 1Q2017.

Income tax expense

Income tax expenses increased by S\$0.9 million or 86.9% to S\$1.9 million for 1Q2018. The effective tax rate for 1Q2018 was 22.2% (1Q2017: 28.1%). The higher effective tax rate for 1Q2017 was mainly due to the tax non-deductible listing expenses.

STATEMENT OF FINANCIAL POSITION ITEMS

Property, plant and equipment

Property, plant and equipment increased by S\$0.4 million or 1.6% to S\$27.8 million as at 31 March 2018 primarily due to (i) capital expenditure of S\$0.7 million recognized in 1Q2018; (ii) upward exchange translation adjustment of S\$0.2 million resulting from the depreciation of SGD against RMB; and (iii) offset by depreciation charges of S\$0.5 million for the financial period.

Interests in associates

Interests in associates increased by S\$0.4 million, or 2.1% to S\$18.7 million as at 31 March 2018 was mainly due to share of associates result in 1Q18.

Inventories

Inventories decreased by S\$1.8 million or 3.6% to S\$48.2 million as at 31 March 2018 primarily due to better control over our outstanding inventories.

Trade and other receivables

Trade and other receivables increased by S\$9.5 million or 10.7% to S\$99.0 million as at 31 March 2018 was mainly due to increase in trade receivable from third parties amounted to approximately S\$8.6 million, coupled with the increase in advance payment to third parties of approximately S\$0.8 million, which is in line with the increase in revenue.

Subsequent to 31 March 2018 till 30 April 2018, we have received approximately S\$14.6 million which represents approximately 21% of trade receivables as of 31 March 2018.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on. (Cont'd)

STATEMENT OF FINANCIAL POSITION ITEMS (CONT'D)

Trade and other payables

Trade and other payables decreased by S\$3.7 million or 5.4% to S\$65.0 million as at 31 March 2018 was mainly due to the decrease of accrued salaries and bonuses of approximately S\$1.0 million, repayment to associate companies of approximately S\$1.2 million, and the declaration of dividend payables to non-controlling interests amounted to approximately S\$1.5 million in 1Q2018.

Bank borrowings

Bank borrowing decreased by S\$1.6 million or 10.9% to S\$12.7 million in 1Q2018 was mainly due repayment of short term loans.

CASH FLOW STATEMENT

For the financial period ended 31 March 2018, net cash used in operating activities of approximately S\$0.7 million arose from operating cash flow before working capital changes of S\$10.4 million offset by increase in working capital of S\$9.7 million.

For the financial period ended 31 March 2018, our net cash used in investing activities amounted to approximately S\$0.6 million mainly due to additions of the property, plant and equipment of approximately S\$0.6 million and loan to associates of approximately S\$0.25 million, offset by proceed from disposal of property, plant and equipment of approximately S\$0.3 million.

For the financial period ended 31 March 2018, our net cash used in financing activities amounted to approximately S\$3.0 million resulted from payment of dividend to non-controlling interests of S\$1.5 million and repayment of bank borrowing of approximately S\$1.6 million.

As at 31 March 2018, the group maintained a healthy cash and bank balances of S\$34.2 million.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No specific forecast statement was previously disclosed to shareholders.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The outlook for our core Motion Control and Other Specialized Engineering Solutions businesses is expected to remain positive, driven by the growing demands for high-tech precision control systems from medical device, semiconductor, transportation, oil and gas and railway industries, as well as the growing customer base and orders in the PRC. In the Southeast Asian region, including Singapore and Vietnam, the adoption of advanced and automated process for industrial robots in manufacturing processes remains the key factors driving our business.

The Group operates in a very competitive industry. As such, we will continue to build on our competitive edge and expand our market share by ramping up our sales and marketing efforts in our key markets.

Going forward, we will continue to explore other growth opportunities in the renewable energy sectors through strategic partnerships and other forms of collaboration.

11. Dividend

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**
(b) **(i) Amount per share; (ii) Previous corresponding period;**
(c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

- (i) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

- (ii) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

- (d) **The date the dividend is payable**

Not applicable.

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00p.m.) will be registered before entitlements to the dividend are determined.**

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained.



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14. Statement by Directors Pursuant to SGX Listing Rule 705(5)

We, Teo Cher Koon and Kong Deyang, being Directors of ISDN Holdings Limited, hereby confirm on behalf of the Board of Directors that to the best of their knowledge, nothing has come to the attention of the Directors which may render the unaudited quarterly financial results (comprising the comprehensive income statement, balance sheet, cash flow statement and statement of changes in equity, together with the accompanying notes) presented in this announcement to be false or misleading in any material aspect.

15. Use of proceeds

(a) Use of Net Proceeds from the Second Placements

There has been no material usage till to the date of this announcement after the last announcement made on 27 February 2018. The Company will make further announcements when the remaining net proceeds from Second Placements are materially disbursed.

(b) Use of Net Proceeds from the Share Offer on the Main Board of The Stock Exchange of Hong Kong

There has been no material usage of net proceeds from the share offer from the Listing Date till the last announcement made on 27 February 2018. The Company will make further announcements when the remaining net proceeds from Share Offer are materially disbursed.

16. Issuer to confirm in the announcement that it has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

Yes.

By Order of the Board

Gwendolyn Gn
Joint Company Secretary
ISDN Holdings Limited

14 May 2018