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FOR IMMEDIATE RELEASE

ISDN sustains healthy revenue growth in 3Q2017

- ***Group revenue rose 8.0% y-o-y to S\$76.7 million in 3Q 2017; Group revenue for 9M 2017 grew 15.8% to S\$221.7 million***
- ***Gross profit margin remained stable at 25.0% in 3Q 2017***
- ***Higher revenue driven by increased orders from its existing customers and growing customer base China and Singapore***
- ***Strong balance sheet as of 30 September 2017 with cash and bank balances of S\$32.6 million***

Singapore, 14 November 2017 – SGX and HKSE Main Board listed ISDN Holdings Limited (“ISDN” or “the Company”, and with its subsidiaries “the Group”), a leader in precision motion control and integrated engineering solutions, today announced its financial results for the third quarter ended 30 September 2017 (“3Q2017”).

ISDN’s revenue increased by about S\$5.7 million from S\$71.0 million in 3Q2016 to S\$76.7 million in 3Q2017, driven by an increase in demand for motion control and other specialized engineering solutions, particularly from the semiconductor industry. Higher order levels from existing customers as well as a growing customer base in China and Singapore contributed to the revenue growth.

In line with the increase in revenue, gross profit rose 12.2% to S\$19.2 million in 3Q2017 and gross profit margin remained stable at 25.0%. Net profit attributable to equity holders surged by S\$2.3 million to S\$3.0 million in 3Q 2017.

Financial Highlights

(S\$ '000)	3Q2017	3Q2016	Y-o-Y% Change
Turnover	76,693	70,984	8.0
Gross profit	19,180	17,090	12.2
Profit before tax	6,198	3,388	82.9
Profit after tax	4,723	1,860	153.9
Net profit attributable to shareholders	2,984	698	327.5
*Earnings per share (cents)	0.76	0.20	280.0
Net asset value per share (cents)	37.83	38.38	(1.4)
Weighted average number of ordinary shares	394,684,950	354,684,950	

*Earnings per share based on consolidated net profit attributable to shareholders

As at 30 September 2017, the Group maintained healthy cash and bank balances of \$32.6 million, compared to \$38.7 million as at 31 December 2016. The reduction was mainly due to an increase in net working capital, loan to associates and dividends to equity holders of the company.

Trend of “Intelligent Manufacturing” to drive revenue growth

The electronic and semiconductor industry had been a steady contributor to ISDN’s revenue base. To reduce its reliance on the electronics and semiconductor industry, the Group continues to leverage its wide network of dedicated and experienced sales personnel in China and the Southeast Asia region to diversify its customer base and geographical presence to target customers in other industries such as medical equipment, smart phone production, and railway and transport. With such a diversified customer base, the Group is well positioned to benefit from the long-term trend of industrial automation and “intelligent manufacturing”.

Aside from the core motion control business, the Group had completed the establishment of joint venture companies with its solar manufacturing partner, please refer to announcements made on 16 August 2017 and 3 November 2017 for details.

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About ISDN Holdings Limited

Founded on its precision and motion control engineering capabilities in 1986 and listed on the Main Board of the Singapore Exchange Securities Trading Limited since 2005, ISDN Holdings Limited has today transformed into a multi-industry corporation with more than 60 offices spanning key Asian growth markets. ISDN was also listed on the Main Board of the Stock Exchange of Hong Kong Limited since 12 January 2017.

ISDN is dominant in the niche area of motion control, other engineering solutions and industrial computing. ISDN's customized engineering solutions cater to different industrial sectors including medical, robotics, factory automation, energy, manufacturing, hard disk and semiconductor industries. By leveraging its alliances with strategic partners in Europe and Asia, ISDN is able to combine and thereupon benefit from the best-in-class technology and business systems these collaborations have to offer.

For more information, please visit www.isdnholdings.com or contact:

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