

# ISDN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 200416788Z)

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## INCREASE IN SHAREHOLDING IN SUBSIDIARY

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The board of directors (the “**Board**”) of ISDN Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that Motion Control Group Pte Ltd (“**MCG**”), a wholly owned subsidiary of the Company, has on 3 October 2019 subscribed for 6,815 ordinary shares in IGB (HK) Company Ltd (“**IGB HK**”) for an aggregate consideration of HK\$6,815 (“**Consideration**”) (the “**Subscription**”). Following completion of the Subscription, the issued and paid-up share capital of IGB HK has increased from HK\$10,000 to HK\$16,815. The Consideration was arrived at taking into consideration, among others, book value of the assets and liabilities of IGB HK for the financial year ended 31 December 2018. The Consideration was satisfied in full by MCG by payment of the Consideration in cash.

The Subscription is aimed at increasing the Group’s ownership of strategic gearbox products and technologies at IGB HK. This approach is consistent with the Group’s overall strategy of growing the capabilities of its core industrial automation business, deepening its ability to serve the growing advanced automation needs of its customers throughout Asia.

Based on the management accounts of IGB HK as at 31 December 2018, IGB HK had a net liabilities value of approximately HK\$360,626.

Following the completion of the Subscription, the Group’s effective equity interest in IGB HK has increased from approximately 51.0% to approximately 70.9%. Accordingly, IGB HK remains a subsidiary of the Group upon completion of the Subscription.

As each of the relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST Listing Manual**”) is less than 5%, the Subscription is a “Non-Discloseable Transaction” for the purposes of Chapter 10 of the SGX-ST Listing Manual.

The Subscription was funded through internal resources and is not expected to have a material impact on the net tangible assets per share and the earnings per share of the Company for the current financial year ending 31 December 2019.

None of the Directors and the substantial shareholders of the Company have any interest, direct or indirect, in the Subscription, other than through their respective shareholdings (if any) in the Company.

By Order of the Board  
ISDN Holdings Limited

Lim Siang Kai  
Chairman and Independent Non-Executive Director

3 October 2019