

ISDN HOLDINGS LIMITED

Company Registration No. 200416788Z
(Incorporated in the Republic of Singapore)

No. 10 Kaki Bukit Road 1 #01-30
KB Industrial Building
Singapore 416175
Tel: 6844 0288 Fax: 68440070
Web: www.isdnholdings.com

USE OF PROCEEDS

The Board of Directors (the “**Board**”) of ISDN Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcements dated 27 February 2019, 8 March 2019 and 18 March 2019 in relation to, *inter alia*, the issuance of 26,987,295 new ordinary shares in the capital of the Company at an offer price of S\$0.20 (equivalent to approximately HK\$1.16) per share pursuant to the subscription agreement entered into between the Company and NTCP SPV VI on 27 February 2019 (the “**Subscription**”). The net proceeds pursuant to the Subscription was approximately S\$5,300,000.

The Board wishes to update Shareholders that as at the date of this announcement, (1) approximately S\$283,000 was utilised for the incorporation of Servo Dynamics Philippines, Inc.¹ and (2) approximately S\$530,000 was utilized for general working capital. Please refer to the table below for further details on the use of proceeds:

Prospects/ Future Plans	Amount of net proceeds allocated	Amount utilised as at the date of this announcement	Amount unutilised as at the date of this announcement	Expected timeline of full utilisation of unutilised proceeds
	S\$'000	S\$'000	S\$'000	S\$'000
Business development	4,770	283	4,487	December 2021
General working capital ^(a)	530	530	-	December 2020
Total	5,300	813	4,487	

Note:

^(a) The general working capital consists of payroll related expenses, trade payables, administrative overheads and other operating expenses.

The utilization of the net proceeds as mentioned above is in accordance with the intended use of proceeds as announced on 27 February 2019 in relation to the Subscription.

The Company will make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

By Order of the Board
ISDN Holdings Limited

Teo Cher Koon
President and Managing Director
8 December 2020

¹ Please refer to the Company's announcement dated 8 December 2020 titled “*Incorporation of a Wholly-owned Indirect Subsidiary*” for further details on the incorporation of Servo Dynamics Philippines, Inc..