



ISDN Holdings
LIMITED



FY2014 Results Update

25 March 2015

Private and Confidential

Presentation Outline

- 1. Financial Review**
- 2. Energy Business Segment Update**
- 3. Q&A**

Financial Analysis

Income Statement

S\$ million	FY2014	FY2013	% change
Revenue	230.5	173.7	32.7
Gross Profit	61.5	51.7	18.8
Pretax Profit	15.2	9.8	56.0
Net Earnings	10.6	6.8	56.5
Net Operating Cashflow	(1.0)	7.5	N/M
Capex	4.1	3.0	36.7
EPS (cents)	2.07	1.39	48.9
Dividends per share	0.4	0.4	unchanged
Gross Margin (%)	26.7	29.8	(3.1) pp
Net Margin (%)	4.6	3.9	0.7 ppt

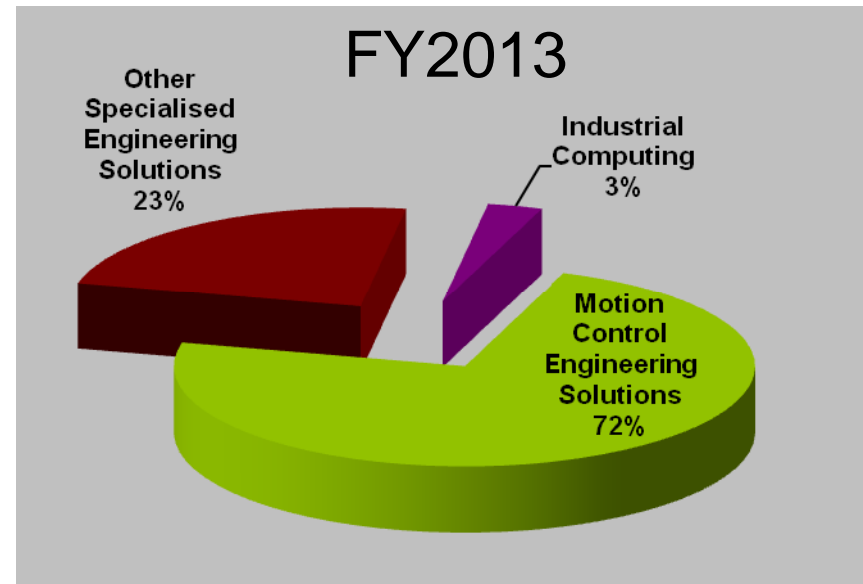
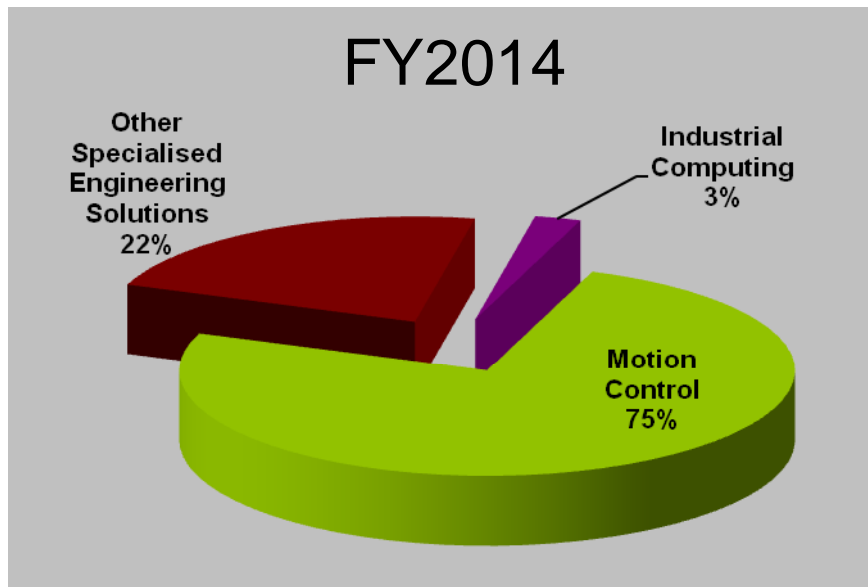
Notable Highlights

- Bottom line has always remained in the black since listing
- Gross profit margin has always stayed within the target band of 26 and 30%
- Has consistently paid dividends except for FY2009
- Group revenue and earnings have yet to factor in future income from energy business
- Core motion control business is undergirded by sizable long-term customers spread over diverse pool of industries who have rewarded ISDN with increased business volume
- ISDN's brand bolstered by partnerships with key European partners

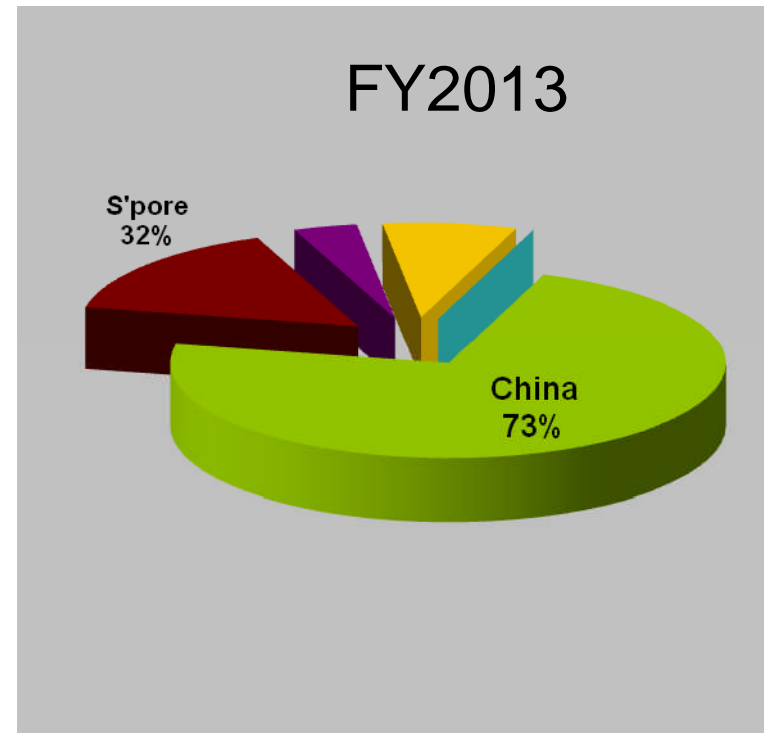
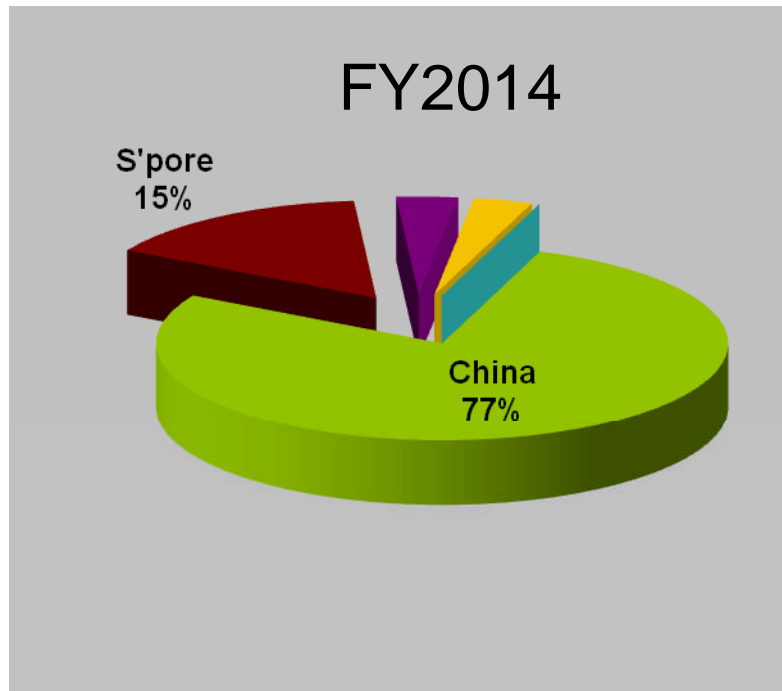
Balance Sheet

S\$ million	31 Dec 2014	31 Dec 2013	% change
Non-Current Assets	49.8	46.5	7.1
Current Assets	140.2	125.5	11.7
- Cash & Equiv	37.5	41.6	(2.4)
- Accounts Receivable	52.4	42.7	22.7
Total Assets	190.0	172.0	10.5
Current Liabilities	59.7	52.0	14.8
Shareholders Equity	129.7	118.9	9.1
Gearing	19%	10%	9 ppt

Revenue by Business Divisions



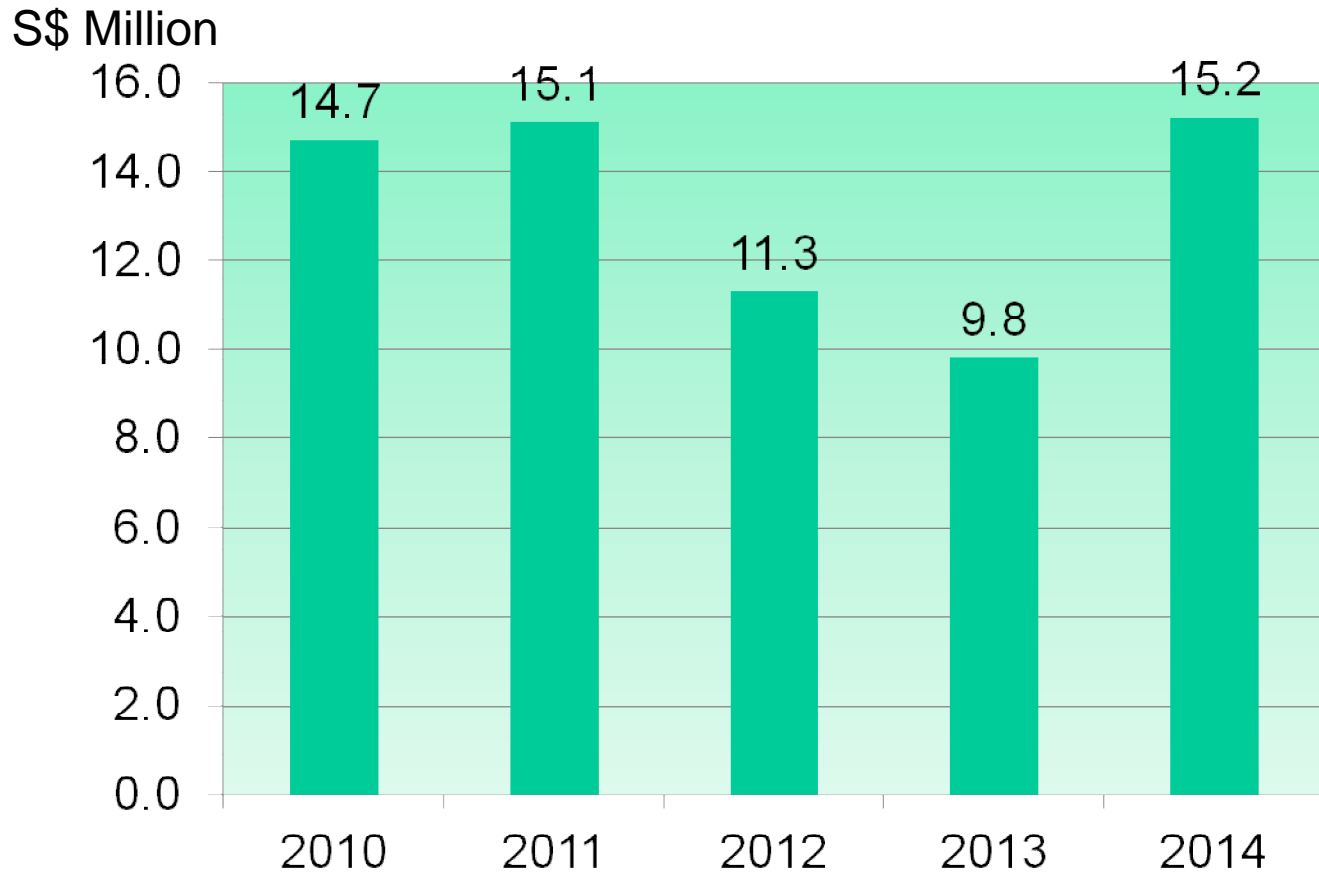
Revenue by Geographical Segment



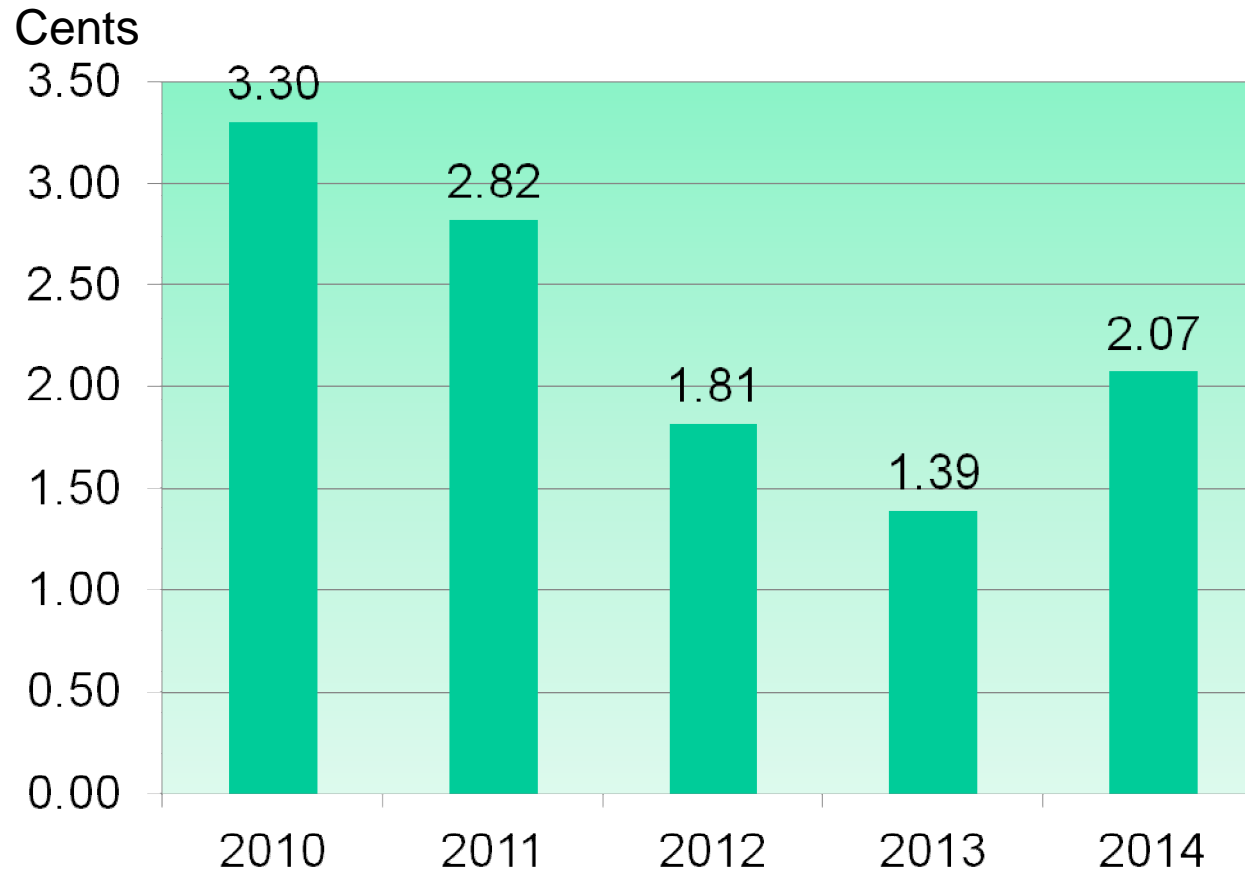
Group Revenue



Profit before tax



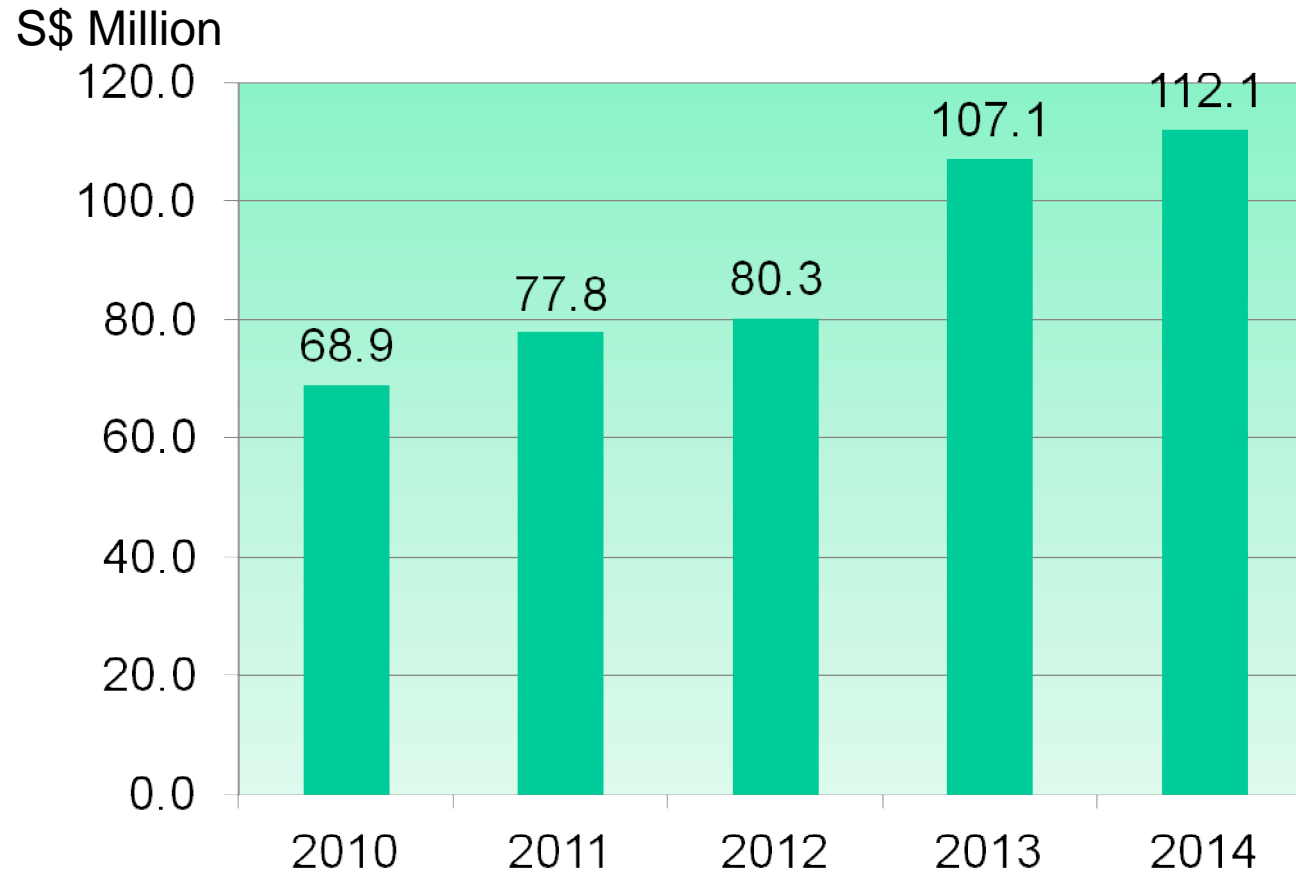
Earnings per share



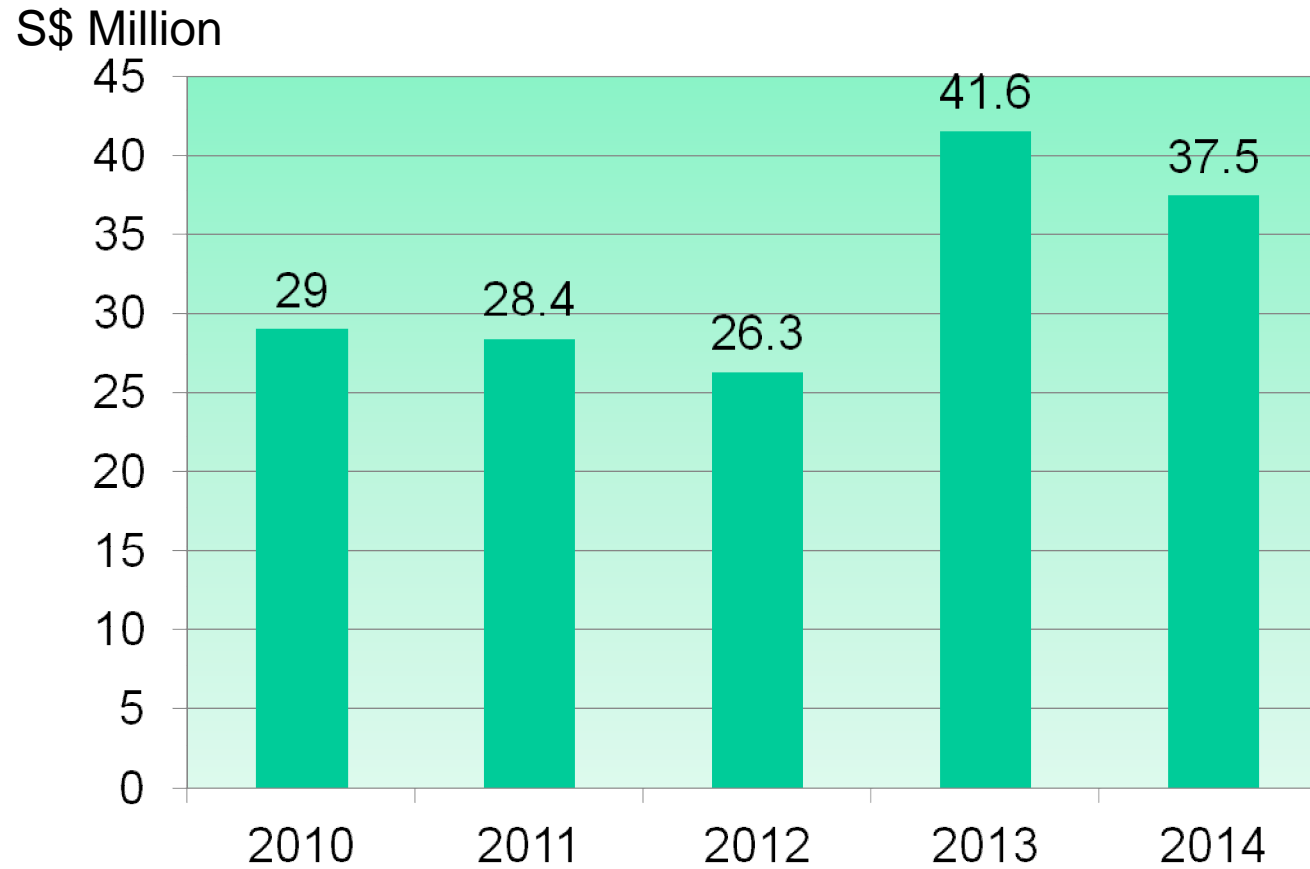
NTA per share



Shareholders' Funds



Cash & Equivalents

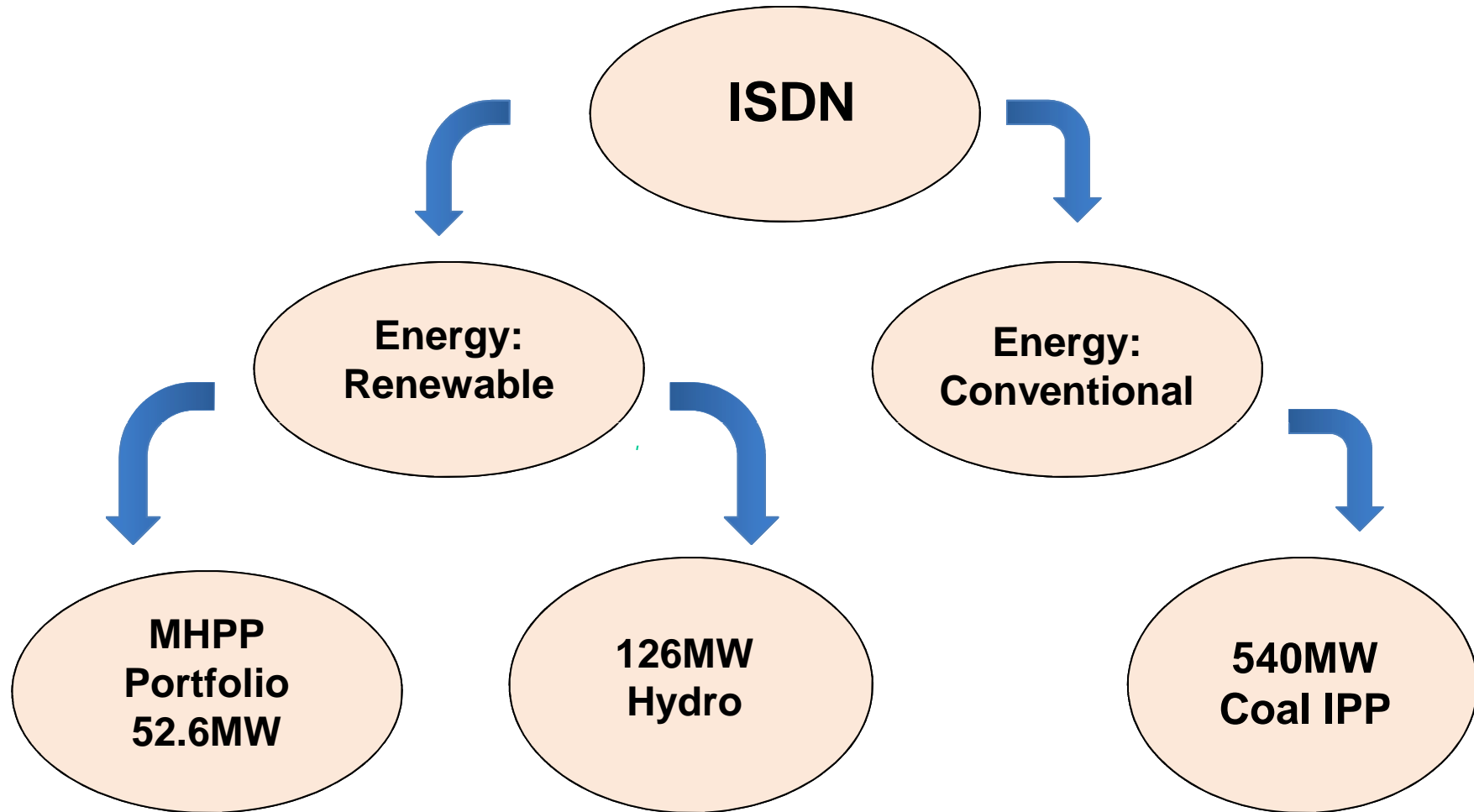


Dividends per share



Energy Business Segment

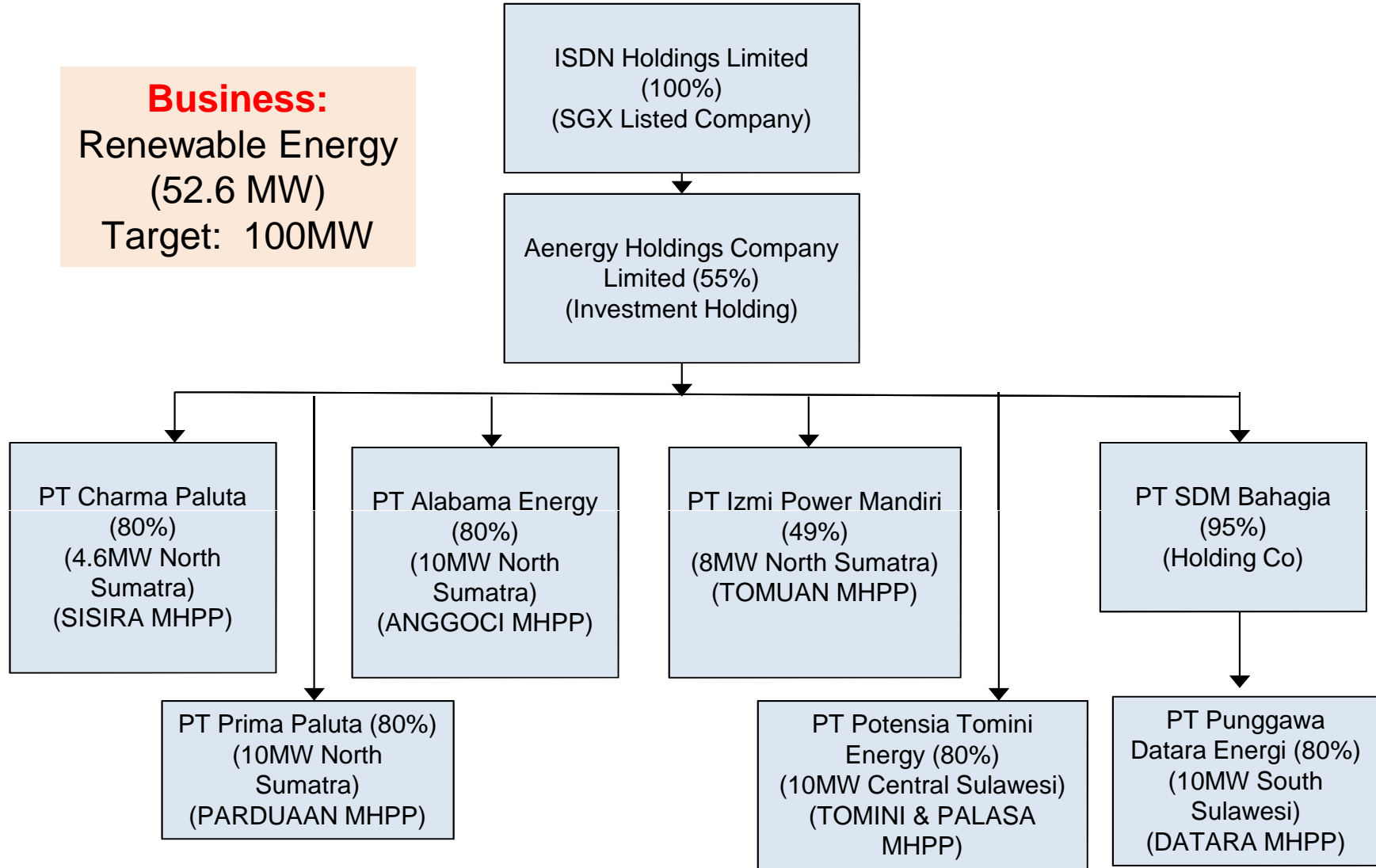
ISDN Energy Business Macro Structure



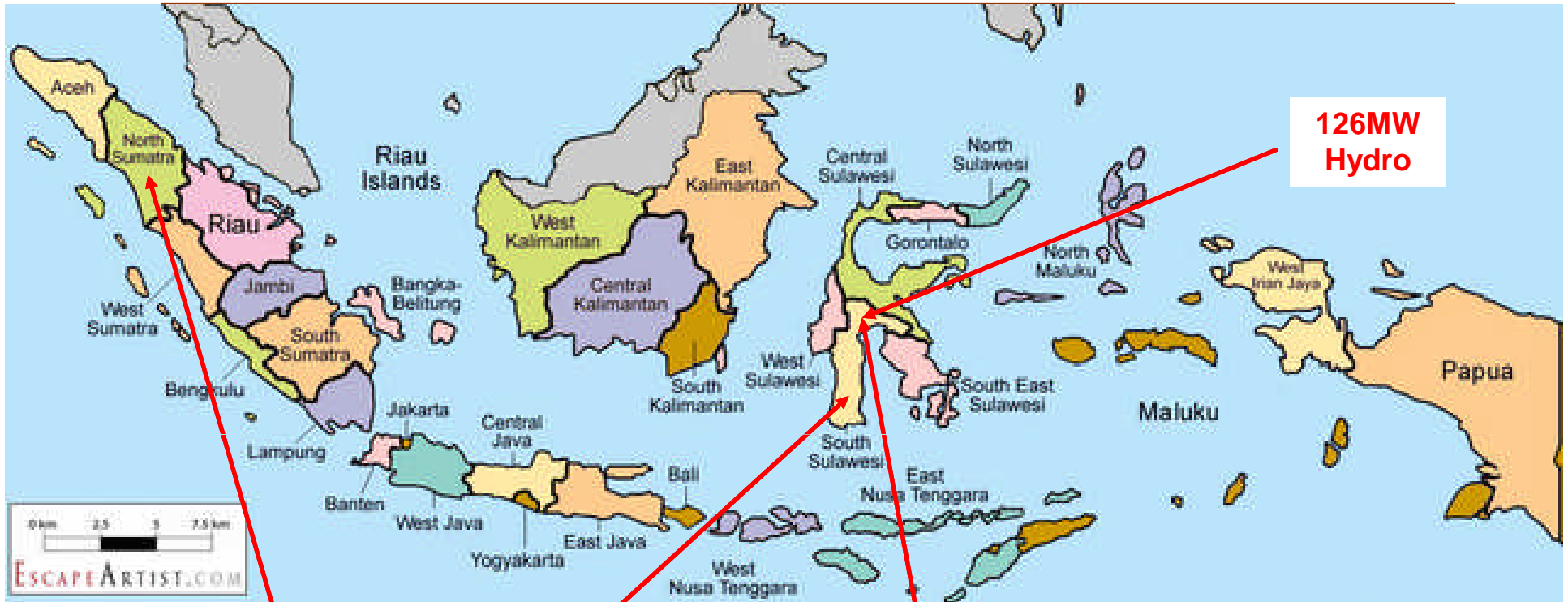


Hydropower Business

Business:
Renewable Energy
(52.6 MW)
Target: 100MW



Hydropower Footprint in Indonesia



Aenergy Holdings

- Portfolio of 52.6 MW mini-hydro power plants, Target of 100MW
- Market: Indonesia and ASEAN
- Helmed by a structured team of professionals with solid on-the-ground relationships with local energy players
- Power Purchase Agreement (PPA): Tenure - 20 years
- Estimated total project cost: US\$ 105mil
- Timing: FY2014 to FY2017
- Investment structure : 55% ISDN; 45% Equity partners
- Exit Plan: IPO, trust or divestment to energy conglomerate

Hydropower Portfolio

Hydropower Project	Location	Ownership Structure	Capacity	Expected Annual Energy Production	Status of Project
1. PT Charma Paluta	North Sumatera	80%	4.6 MW	26 GWh	Work in progress
2. PT Prima Paluta	North Sumatera	80%	10 MW	57 GWh	Land Acquisition
3. PT Alabama Energy	North Sumatera	80%	10 MW	57 GWh	Land Acquisition
4. PT Punggawa Datar	Sulawesi	80%	10 MW	57 GWh	EPC Assessment
5. PT Tomini Energi	Sulawesi	80%	10 MW	57 GWh	EPC Assessment
6. PT Izmi Mandiri	North Sumatra	49%	8 MW	46 GWh	Land Clearance
		Total (MHPP):	52.6 MW	300 GWh	
7. Laa River	Central Sulawesi	To be updated	126 MW	720GWh	Obtained In-Principle Approval

MHPP Portfolio Economics

<u>MHPP Tariff (per kWh)</u>	<u>Revised</u> <u>(1st to 8th Year)</u>	<u>Revised</u> <u>(9th to 20th Year)</u>	<u>Old</u>
- Sumatra :	IDR 1182.5 (US\$9 cents)	IDR 852.5 (US\$6.5 cents)	IDR 787 (US\$ 6 cents)
- Sulawesi :	IDR 1290 (US\$9.8 cents)	IDR 930 (US\$7.1 cents)	IDR 787 (US\$ 6 cents)
<i>Rate: IDR13,110 : US\$1</i>			
Portfolio of MHPP :	52.6 MW		
Total Investment :	US\$105 mil		
Equity Investment :	US\$32 mil		
Expected Annual Power :	300 GWh		
Operating Cost (per kWh) :	US\$0.4 to 0.6 cents		

Peer Comparison – China Cos

Name	Ticker	Mkt Cap (SGD)	P/E	Revenue:Y	NI / Profit:Y
100) CHINA YANGTZE POWER CO LTD-A	600900 CH	39.34B	16.01	4.54B	1.85B
101) SICHUAN MINJIANG HYDRO-A	600131 CH	886.40M	46.89	155.71M	-32.99M
102) SICHUAN CHUANTOU ENERGY CO-A	600674 CH	11.08B	15.91	231.13M	278.10M
103) ISDN HOLDINGS LTD	ISDN SP	69.78M	9.44	230.52M	7.46M
104) HUNAN DEVELOPMENT GROUP CO-A	000722 CH	1.51B	36.48	47.42M	32.18M
105) HAITIAN HYDROPOWER INTERNATI	8261 HK	474.03M	346.52	6.14M	1.24M
106) GUIZHOU QIANYUAN POWER CO-A	002039 CH	1.07B	23.20	203.51M	-20.17M
107) GUANGDONG MEIYAN JIXIANG H-A	600868 CH	2.12B	3.11k	96.34M	5.25M
108) GEPIE ENERGY DEVELOPMENT-A	000791 CH	2.39B	103.50	321.70M	66.74M
109) CHINA LONGYUAN POWER GROUP-H	916 HK	11.69B	26.72	3.89B	417.12M
110) CHINA DATANG CORP RENEWABL-H	1798 HK	1.42B	--	1.15B	48.13M

Peer Comparison – Regional Cos

Name	Ticker	Mkt Cap (SGD)	P/E	Revenue:Y	NI / Profit:Y
(00) ISDN HOLDINGS LTD	ISDN SP	69.70M	9.44	230.52M	7.46M
(101) CENTRAL HYDROPOWER JSC	CHP VN	123.33M	8.95	37.48M	12.75M
(102) FLC HYDO POWER PLC	HPFL SL	7.52M	12.22	844.53k	36.21k
(103) NAM MU HYDROPOWER JSC	HJS VN	12.12M	8.67	8.44M	1.27M
(104) SOUTHERN HYDROPOWER JSC	SHP VN	115.69M	8.13	35.68M	13.17M
(105) THAC BA HYDROPOWER JSC	TBC VN	106.72M	11.16	18.66M	8.61M
(106) VIDULLANKA PLC	VLL SL	33.39M	9.71	5.30M	1.58M
(107) VINH SON - SONG HINH HYDROPO	VSH VN	179.97M	7.39	33.15M	22.51M

Coal Power Business



Myanmar, Kalewa Power Plant



**4 x 135 MW
Coal IPP**

Coal-Powered Plant: Myanmar

- Strategy: To gain a foothold in the energy sector of 1 of the last major markets in South East Asia
- Size: 4 x 135 MW “mine mouth” coal fired power plant
- Ownership: 85% with co-investment possibilities with strategic energy players
- Status: Securing MOA

Overall Business Outlook

ISDNHoldings



Future Outlook

- Motion Control business in China remains firmly anchored (with flagship regional headquarters @ ISDN-Wujiang Industrial Hub)
- Continues to benefit from growth in smart phone business segment
- Steady revenue stream from Motion Control affords a degree of stability while the Group develops and grows energy business
- New hydropower business in Indonesia with its predictable cash flow model is expected to add another measure of stability and arc for new growth
- Coal power is concurrent area of focus in energy business
- Diversifying into resources sector, potentially manganese, at the appropriate time

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Thank You

Q&A

