

MEDIA RELEASE

ISDN reports record nine-month revenue as shareholder profit rises more than fivefold

- **Record revenue and stronger profitability:** Group revenue increased 24.3% year-on-year ("**YoY**") to a record S$397.5 million in 9M2026. Gross profit grew 30.0% to S$100.9 million, with gross profit margin expanding 1.1 percentage points to 25.4%.
- **Industrial Automation drives growth:** Revenue from the Group's core Industrial Automation business rose 36.7% to S$378.2 million, with growth of 31.2% in China and 60.3% in Southeast Asia.
- **Hydropower expansion nearing completion:** Renewable Energy revenue declined 55.3% to S$19.3 million as construction of Lau Biang 2 and Lau Biang 3 approached completion. Once commissioned, the plants are expected to increase total installed capacity by 81.3% to 44.6 MW and raise estimated annual recurring net cash income from approximately S$8.0 million to S$14.0 million.

Singapore, 13 November 2026 — ISDN Holdings Limited ("**ISDN**" or, together with its subsidiaries, the "**Group**"), a leading provider of industrial automation solutions in Asia, today announced its voluntary business update for the third quarter ("**3Q2026**") and nine months ("**9M2026**") ended 30 September 2026.

Financial summary

Group revenue increased 24.3% YoY to a record S$397.5 million in 9M2026, driven by strong growth in Industrial Automation across China and Southeast Asia.

Gross profit rose 30.0% to S$100.9 million, outpacing revenue growth. Gross profit margin expanded by 1.1 percentage points to 25.4%, reflecting a higher contribution from higher-margin Industrial Automation products and solutions, improved project execution efficiencies and a higher gross profit margin in Renewable Energy.

The Group recorded significant profit growth. Profit before tax increased 155.4% to S$35.9 million, profit after tax rose 196.4% to S$25.1 million and profit attributable to shareholders increased 434.7% to S$19.1 million.

S$'000	3Q2025	3Q2026	YoY change	9M2025	9M2026	YoY change
Revenue	106,946	143,922	**+34.6%**	319,841	397,494	**+24.3%**
Gross profit	27,115	37,831	**+39.5%**	77,643	100,925	**+30.0%**
Gross profit margin (%)	25.4%	26.3%	+0.9ppt	24.3%	25.4%	+1.1ppt
Operating expenses[a]	20,163	21,988	+9.1%	54,721	63,330	+15.7%
Profit before tax	6,568	15,537	n.m.	14,042	35,867	**+155.4%**
Profit after tax	4,608	11,104	n.m.	8,455	25,059	**+196.4%**
Profit attributable to shareholders	2,291	8,739	n.m.	3,576	19,120	**+434.7%**
Net profit margin[b] (%)	4.3%	7.7%	+3.4ppts	2.6%	6.3%	+3.7ppts

ppt = percentage points n.m. = not meaningful [a] Operating expenses comprise distribution costs and administrative expenses [b] Net profit margin = profit after tax / revenue

Review of 9M2026 performance

Industrial Automation

ISDN's Industrial Automation business, which accounted for 95.2% of Group revenue, grew 36.7% YoY to S$378.2 million in 9M2026. Growth was recorded across all business groups and in the majority of the Group's addressable markets.

China remained the Group's primary revenue contributor, accounting for approximately 70.4% of Industrial Automation revenue. Southeast Asia grew faster than China, led by Singapore, Malaysia and Vietnam, as ISDN deepens its presence in the region's advanced manufacturing economies and manufacturers spread production across Asia.

Industrial Automation gross profit rose 38.3% to S$94.4 million, driven by a higher sales contribution from higher-margin products and solutions, as well as improved project execution efficiencies.

Renewable Energy

Renewable Energy revenue, which represented 4.8% of Group revenue, fell 55.3% YoY to S$19.3 million in 9M2026. The decline was mainly attributable to lower construction income recognised from the two new mini-hydropower plants, Lau Biang 2 and Lau Biang 3, as construction neared completion.

Electricity generation output from the operating plants, Lau Biang 1 and Anggoci, was also lower due to highly unusual weather variations. Revenue declined by S$1.1 million at Lau Biang 1 and S$0.4 million at Anggoci. Operating and finance income from the operating plants was S$6.3 million (9M2025: S$7.6 million), at a gross profit margin of 83.8% (9M2025: 92.0%).

The Group billed a total of S$7.1 million to Indonesia's state electricity utility for output generated in 9M2026, with payment received by October 2026.

The Group's hydropower operations in North Sumatra have not been affected by the civil unrest or haze conditions experienced elsewhere in Indonesia.

ISDN's hydropower plants provide renewable electricity to rural communities through constructive local partnerships. As a source of clean, renewable energy that does not rely on combustion, the plants contribute to local energy needs while supporting Indonesia's broader objectives for a more sustainable and resilient energy system.

Group-level profitability

Gross profit increased 30.0% to S$100.9 million, outpacing revenue growth in 9M2026. This was primarily driven by a higher proportion of sales from higher-margin products and solutions, as well as improved project execution efficiencies.

Other operating expenses fell by S$6.1 million to S$1.2 million in 9M2026, mainly due to lower net foreign exchange losses of S$4.1 million and the absence of provision for inventories obsolescence of S$2.2 million made in 9M2025. These reductions were partially offset by an increase of S$0.1 million in loss on disposal of property, plant and equipment, as well as property, plant and equipment written off of S$0.1 million.

Correspondingly, the Group delivered profit attributable to equity holders of S$19.1 million, compared with S$3.6 million in 9M2025.

Business outlook

Industrial Automation

Geopolitical uncertainty and broader economic volatility continue to weigh on the global economy. While ISDN has benefited from some large-scale AI-related investment, the Group believes demand for its solutions has been less directly linked to AI spending and more closely related to multi-year semiconductor production capacity constraints and the broader adoption of industrial automation.

The Group expects the following trends to support demand for its Industrial Automation solutions:

- **Continued market expansion:** Manufacturers are increasingly adopting automation technologies to improve operational efficiency, productivity and precision, particularly in semiconductor manufacturing, data centres and advanced electronics.
- **Wider adoption across Asia:** Manufacturers in China and Southeast Asia are upgrading factories to address rising labour costs and tariff pressures. Supply chain operators are also seeking in-region suppliers, such as ISDN, to improve supply availability and resilience.
- **Broader technology capabilities:** ISDN continues to expand its capabilities across automation components, integrated hardware and software, cloud technologies and AI-enabled solutions.
- **Expanding geographical reach:** The Group has operations in Singapore, Malaysia, Thailand, Taiwan and Vietnam alongside its China base. It expects continued industrialisation, manufacturing upgrades and automation adoption across Southeast and East Asia to support further growth.

Renewable Energy

The Group's two new mini-hydropower plants in Indonesia, Lau Biang 2 and Lau Biang 3, are expected to be commissioned in fourth quarter of year ending 2026 ("**4Q2026**"). Upon commissioning, the plants will increase the Group's total installed capacity by 81.3% to 44.6 megawatts ("**MW**"). Based on management estimates, annual recurring net cash income from the Group's hydropower operations is expected to increase from approximately S$8.0 million to S$14.0 million following commissioning of the two plants.

Indonesia's Electricity Supply Business Plan for 2025 to 2034 targets 42.6 gigawatts ("**GW**") of additional renewable capacity, with hydropower accounting for 27.5% of the planned renewable energy capacity mix.[1]

[1] Institute for Energy Economics and Financial Analysis, "The risks of fossil fuel dependence in Indonesia's Electricity Supply Business Plan (RUPTL) 2025–2034".

CEO remarks

Reflecting on ISDN's performance and outlook, **Mr Teo Cher Koon, ISDN's Managing Director and President**, said:

"ISDN delivered a strong performance in the first nine months of 2026, with record revenue and a significant improvement in profitability. Our Industrial Automation business continues to benefit from broad-based demand across China and Southeast Asia, as manufacturers invest in greater productivity, precision and increasingly sophisticated automation capabilities.

"While investment in AI and advanced technology is creating additional opportunities, we believe the longer-term growth of industrial automation is supported by a much broader set of structural trends across manufacturing. Our continued investment in technology capabilities and our regional presence position us to participate in these opportunities.

"In Renewable Energy, the completion of our two new mini-hydropower plants in Indonesia will represent an important milestone for the Group. Once commissioned, they are expected to increase our installed capacity significantly and raise the recurring cash contribution from our hydropower operations. Together, our two businesses provide a platform for continued growth and greater diversification of the Group's earnings."

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About ISDN Holdings Limited

ISDN is a leading provider of industrial automation solutions throughout Asia. The Group has more than 10,000 customers and 75 offices spanning key Asian growth markets, and has been innovating alongside the evolving technology needs of its customers since 1986.

ISDN's solutions serve advanced industrial sectors including semiconductors, Industry 4.0 manufacturing, medical devices, aerospace and clean energy. Its technologies support products and manufacturing in 5G, industrial robotics, the Internet of Things (IoT/IIoT), cloud and edge computing, and intelligent manufacturing.

Founded in 1986, ISDN has been listed on the SGX Main Board since 2005 and dual-listed on the Main Board of the Hong Kong Stock Exchange since 2017. Through its Renewable Energy business, the Group also operates mini-hydropower plants in Indonesia under long-term concessions, providing recurring income.

For more information, please visit www.isdnholdings.com.

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