



MEDIA RELEASE

## **ISDN profit to shareholders soars 2,973% on +24% revenue growth and +767% growth in profit after tax**

- **ISDN Holdings Limited** reported solid growth across all regions, in both its core industrial automation business and its renewable energy business.
- **Industrial Automation revenue** rose 23% YoY (+14% YoY in China, +53% YoY in Southeast Asia) in 1Q2026 as ISDN continued to gain market share with its competitive strengths across the full range of industrial automation technologies. Growth was broad-based across segments but showed notable strength in semiconductors and industrial robots which benefit from growth in leading-edge technology demand worldwide.
- **ISDN is a beneficiary of the rapid global growth in AI, Datacentre, Semiconductors and Energy Storage**, as it supplies a broad range of components and solutions to these sectors and is seeing excellent results.
- **Order intakes continued to grow into FY2026**, underpinned by strong industrial automation demand and significant commercial progress from earlier strategic investments in advanced technologies that complement and build out ISDN's full stack solutions.
- **Renewable energy revenue** grew 39.3% YoY in revenue to S\$6.7 million in 1Q2026, driven by construction income from two new mini-hydropower plants as they near operational completion this year.

**Singapore, 15 May 2026** – ISDN Holdings Limited (“**ISDN**” or together with its subsidiaries, the “**Group**”), a leading industrial automation firm in Asia, today announced its voluntary interim business updates for the first quarter ended 31 March 2026 (“**1Q2026**”).

## Financial summary

ISDN revenue rose 24.2% year-on-year (“YoY”) to S\$113.7 million in 1Q2026 as the Group delivered strong growth across its business and across all geographies.

The Group’s business model profited from operating leverage as ISDN grew, driving strong growth in profit before tax (+281% YoY), profit after tax (+767% YoY) and profit attributable to shareholders (+2,973% YoY).

S\$'000	1Q2025	1Q2026	YoY change
Revenue	91,498	113,677	+24.2%
Gross profit	23,181	27,689	+19.4%
Gross profit margin (%)	25.3%	24.4%	(0.9ppt)
Operating expenses <sup>a</sup>	17,183	19,262	+12.1%
Profit before tax	2,036	7,750	n.m.
Profit after tax	614	5,323	n.m.
Profit attributable to shareholders	120	3,688	n.m.
Net profit margin <sup>b</sup> (%)	0.7%	4.7%	+4.0ppts

ppt percentage points

n.m. not meaningful

<sup>a</sup> Operating expenses comprise distribution costs and administrative expenses

<sup>b</sup> Net profit margin = profit after tax/revenue

## Review of 1Q2026 performance

### Core Industrial Automation Business

ISDN's industrial automation business (94% of Group revenue) delivered revenue of S\$107.0 million in 1Q2026, up 23.4% YoY, with majority addressable markets reporting revenue growth.

China remained the largest contributor at 70.4% of segment revenue, while Singapore led the broader Southeast Asian expansion as ISDN deepens its presence in Asia's fast-growing advanced manufacturing economies and continues to drive commercial progress of its earlier strategic investments in advanced technologies.

Segment gross profit grew 26.1% YoY to S\$25.7 million, supported by growth momentum from higher-end solutions as well as improved operating leverage.

### Hydropower Business

The Group's renewable energy segment delivered revenue of S\$6.7 million in 1Q2026, up from S\$4.8 million in 1Q2025. The increase was driven by S\$4.9 million in construction income from the two new mini-hydropower plants in Indonesia, Lau Biang 2 and Lau Biang 3, partially offset by a 39.0% decline in revenue from the three operating hydropower plants to S\$1.8 million. The decline in contributions from the operating hydropower plants were attributable to highly unusual weather variations, which led to lower generation output during the period. The weather has since normalised and ISDN does not expect fluctuations of this magnitude to recur.

### Group Level Profitability

With solid growth across all major segments and geographies, ISDN benefited from positive operating leverage, driving strong growth in both core and reported profits

While the global macro-economy remains on cautious footing amidst geopolitical tensions, conflicts, and tariff uncertainties, ISDN has sustained growth momentum from its core strategies of:

- **A full stack technology offering for Asia** in its core industrial automation business, providing advanced capabilities to diversified customers, diversified industries, and increasingly diversified geographies across the continent.

This strategy of delivering best-in-class global capabilities with local presence in Asia has accelerated ISDN's ability to gain market share in Industrial Automation as businesses seek productivity and capability gains from automation to offset competitive, labour and material input pressures.

- **A careful, profitable approach to renewable energy growth** as the Group benefits from recurring earnings from its operating hydropower plants as well as continued expected growth as 2 more hydropower plants enter operations in 2026.

The Group continues to see multi-year demand for industrial automation in Asia as:

- **Manufacturing economies in China and Southeast Asia** continue to upgrade industrial automation to advance competitiveness;
- **The AI, datacentre, semiconductor and energy storage segments** continue to grow, with ISDN well-positioned to benefit from its broad range of components, systems and solutions serving these industries;
- **China** continues to push industrial automation as a core enabler of economic and technological growth, supported by the 15th Five-Year Plan covering 2026 to 2030 and a state-backed venture capital fund for robotics and artificial intelligence<sup>1</sup>. In addition, the China industrial automation and control systems market is forecasted to grow at a 14.8% compound annual growth rate from 2026 to 2033, reaching US\$88.2 billion by 2033<sup>2</sup>.
- **Supply chain operators shift towards in-region suppliers** like ISDN to improve supply chain availability and resilience; and
- **Manufacturers seek productivity gains** through automation to offset rising labour costs and tariff pressures.

In renewable energy, the Group's two new mini-hydropower plants, Lau Biang 2 and Lau Biang 3, remain on track for commissioning in 2026, which will expand total generation capacity by 81% to 44.6 MW and contribute sustainable long-term recurring revenue to the renewable energy business segment once operational.

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<sup>1</sup> [International Federation of Robotics: China Makes AI-powered Robots Core of National Strategy](#)

<sup>2</sup> [Grand View Research: China Industrial Automation And Control Systems Market Size & Outlook](#)

Reflecting on ISDN's strategic position and performance in 1Q2026, **Mr Teo Cher Koon, ISDN's Managing Director and President** remarked:

*"We've maintained disciplined investment in long-term growth despite the volatile environment and downturn of the last few years. our 39 years of unbroken profitability and deep industry experience gave us conviction that investing through the downturn would build competitive strength for ISDN while many in retreated.*

*In the past few years, we've steadily expanded our technology offerings into systems, software, AI and full solutions. We've opened up new geographical markets in Malaysia and Taiwan, and we've grown our market share in our core China and Southeast markets.*

*We have longstanding strengths serving the semiconductor, datacentre and energy storage industries, and we're confident ISDN is well-positioned to keep growing in these strategically important sectors.*

*Our 1Q2026 results reflect the benefits of this disciplined approach to building long-term strength. ISDN has emerged from the downturn with the right technologies, right capabilities and right geographical footprint to sustain long-term growth in the ever-expanding industrial technology market.*

*We're grateful to our employees, shareholders and other stakeholders for their support over the past few years. We're mindful of the uncertain external environment, but we're focused on delivering the best possible solutions for our customers: the fundamental drivers of automation and renewable energy demand remain strong, creating solid multi-year growth opportunities that ISDN is well-positioned to capture."*

— End —

## About ISDN Holdings Limited

ISDN is a leading provider of industrial automation solutions throughout Asia. The Company has more than 10,000 customers, and 55 offices spanning key Asian growth markets, and has a 39-year history of innovating alongside the growing technology needs of its customers.

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

ISDN was founded in 1986 and has been listed on the SGX Main Board since 2005 and dual listed on the Stock Exchange of Hong Kong Main Board since 2017.

For more information, please visit [www.isdnholdings.com](http://www.isdnholdings.com)

**Issued for and on behalf of ISDN Holdings Limited by Financial PR.**

**For media enquiries, please contact:**

Kamal Samuel

Email: [kamal@financialpr.com.sg](mailto:kamal@financialpr.com.sg)

Vicki Zhou

Email: [zhouyan@financialpr.com.sg](mailto:zhouyan@financialpr.com.sg)

Louise Lim

Email: [louise@financialpr.com.sg](mailto:louise@financialpr.com.sg)

Tel: +65 6438 2990

### **ISDN Holdings Limited**

101 Defu Lane 10 Singapore 539222

Tel: +65 6844 0288

Fax: +65 6844 0070

Web: [www.isdnholdings.com](http://www.isdnholdings.com)