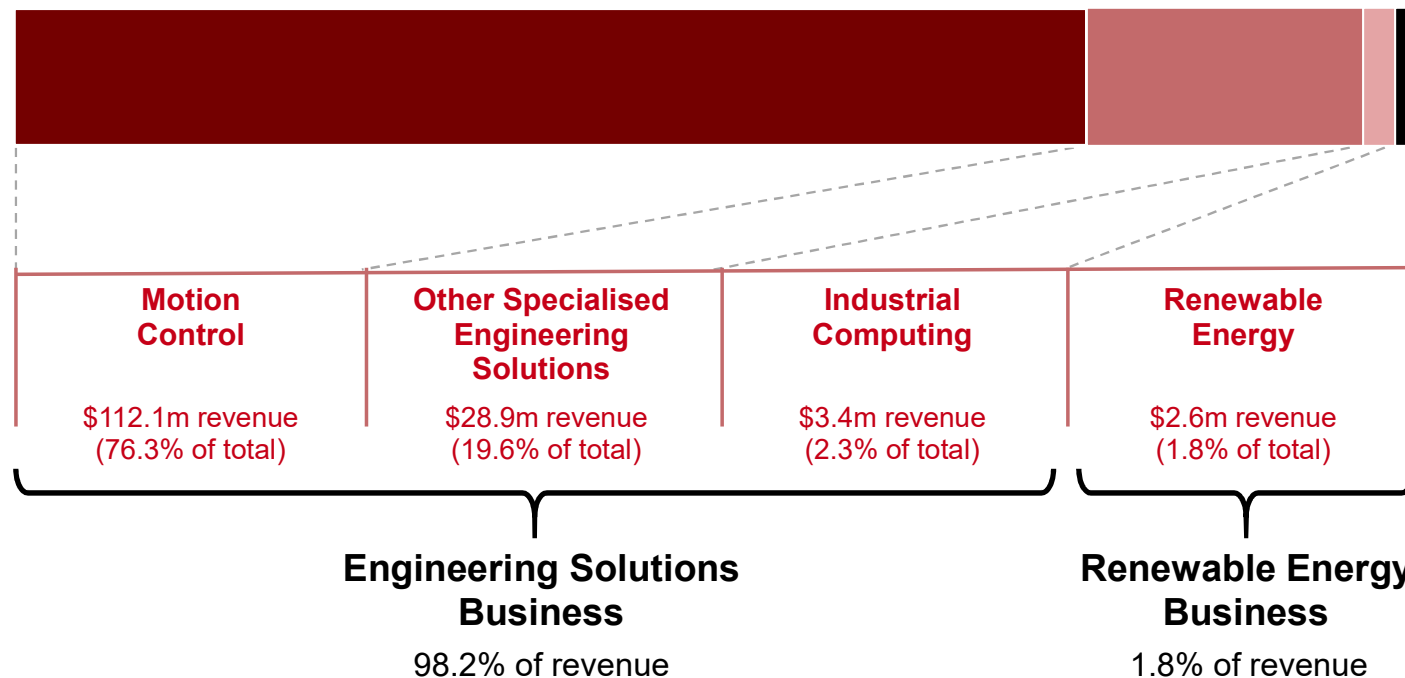




FINANCIAL HIGHLIGHTS

Business Structure

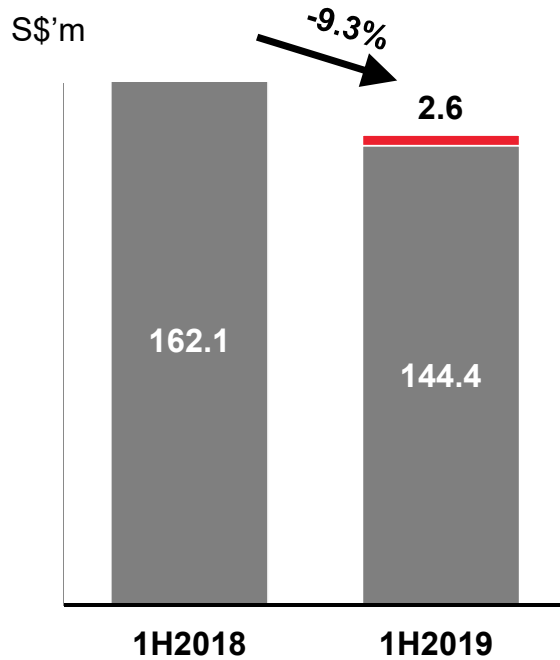
1H2019 REVENUE BREAKDOWN BY SEGMENT



ISDN's Engineering Solutions segment underpins the core of the business

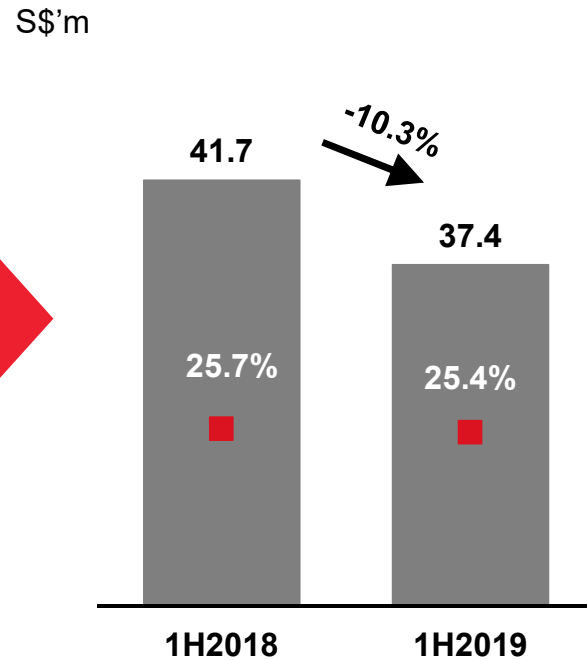
Financial Snapshot: 1H2019

TOTAL REVENUE



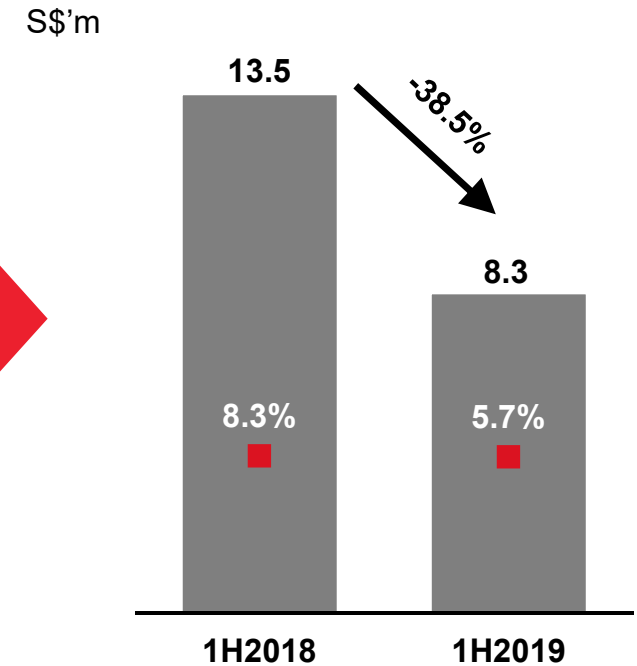
- Renewable Energy
- Engineering Solutions

GROSS PROFIT AND GROSS PROFIT MARGIN



- Gross Profit
- Gross Profit Margin

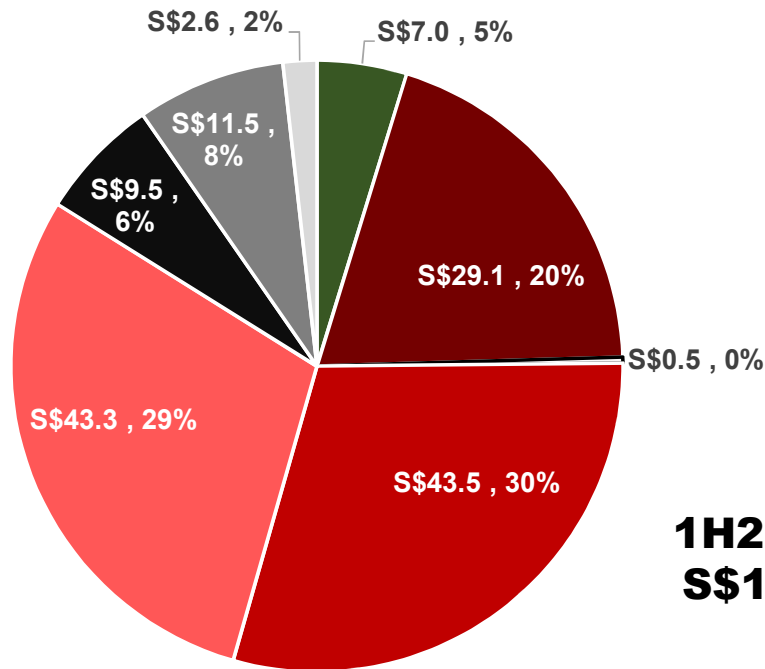
NET PROFIT AND NET PROFIT MARGIN



- Net Profit
- Net Profit Margin

1H2019 Revenue Breakdown

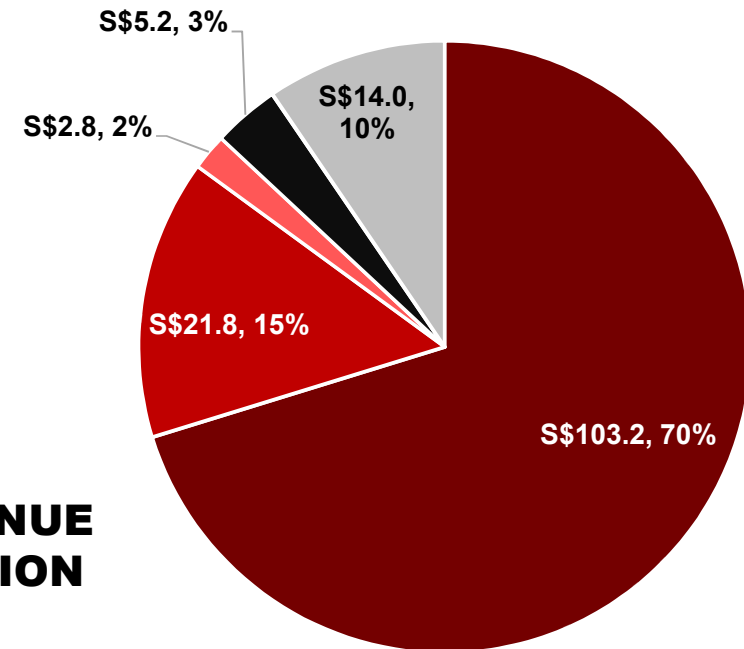
BY END-INDUSTRIES



**1H2019 REVENUE
S\$147.0 MILLION**

- Automotive
- Food & Beverage Packaging Machinery
- Machine Tools
- Others
- Electronic & Semiconductor
- Industrial Robotic/ Automation
- Medical Device
- Renewable Energy

BY GEOGRAPHY



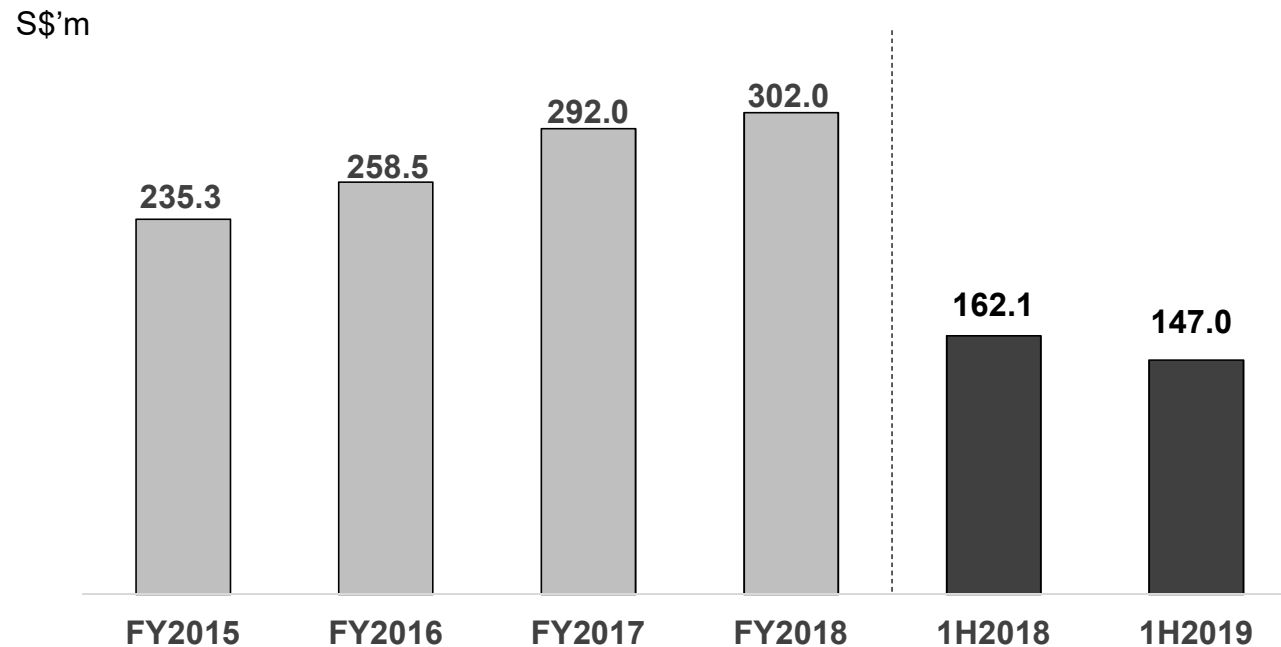
- PRC
- Singapore
- Hong Kong
- Malaysia
- Others

Strong end-industry *diversification* and *strategic* geographical mix

Revenue Trend

ANNUAL REVENUE TREND

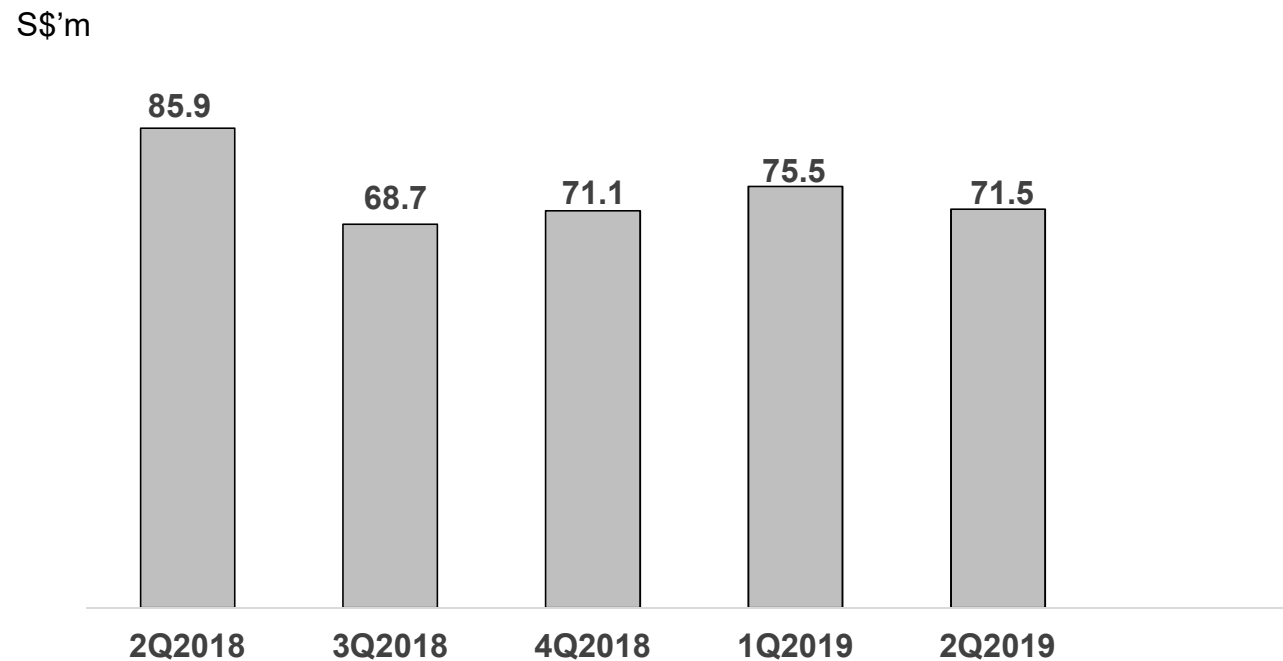
1H REVENUE COMPARISON



1H2019: Amid global trade tensions and semiconductor sector cyclicity, ISDN posts a 9.3% revenue fall YoY. The Group's diversified customer base, end-industries, and geographies cushion the medium-term volatilities associated with the trade war.

Revenue Trend

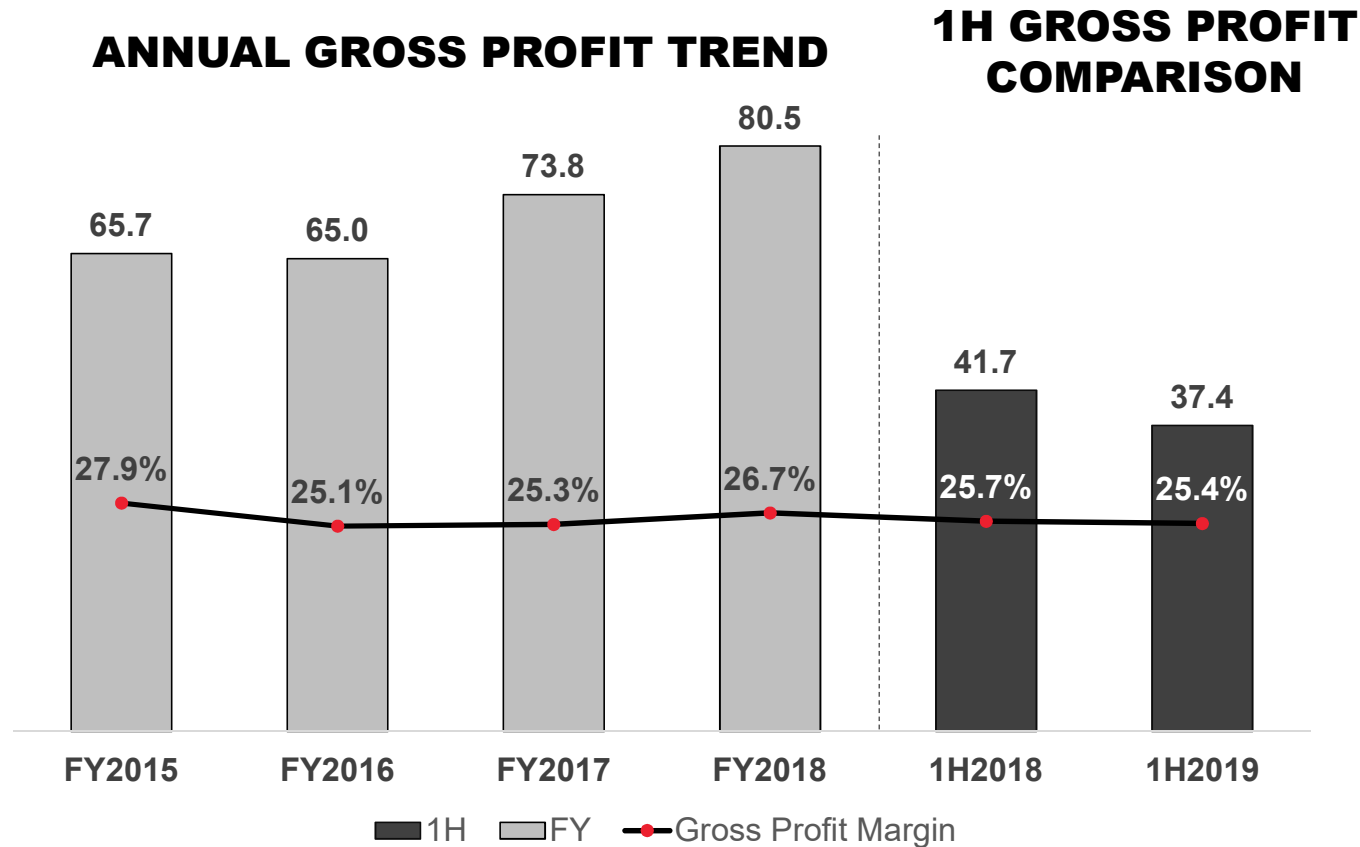
QUARTERLY REVENUE TREND



2Q2019: On a quarterly basis, ISDN posts a 5.4% revenue fall QoQ, mirroring the wider volatility trend in the short-to-medium term.

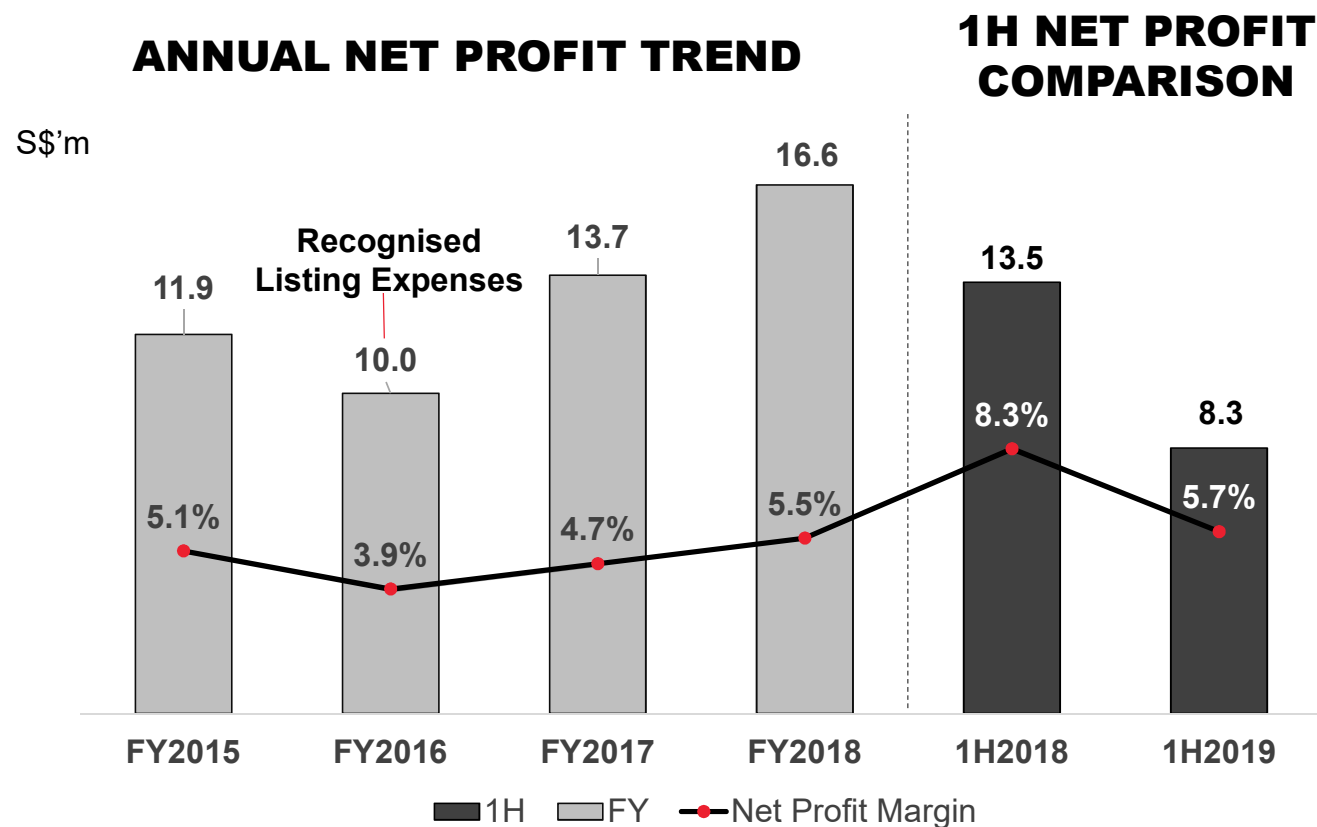
Gross Profit Trend

S\$m



Annually, gross profit margin hovers **between 25 – 28%**. Excluding gross profit from the mini-hydropower plants construction, the Group's **core Precision Engineering Solutions' gross margin was 25.8% for 1H2019**, similar to 1H2018.

Net Profit Trend



The Group has been **profitable since listing in 2005**. Annually, net profit margin hovers **between 4-8%**. **Net profit margin was 5.7% for 1H2019**, well within the FY net profit margin band for the past 4 years.

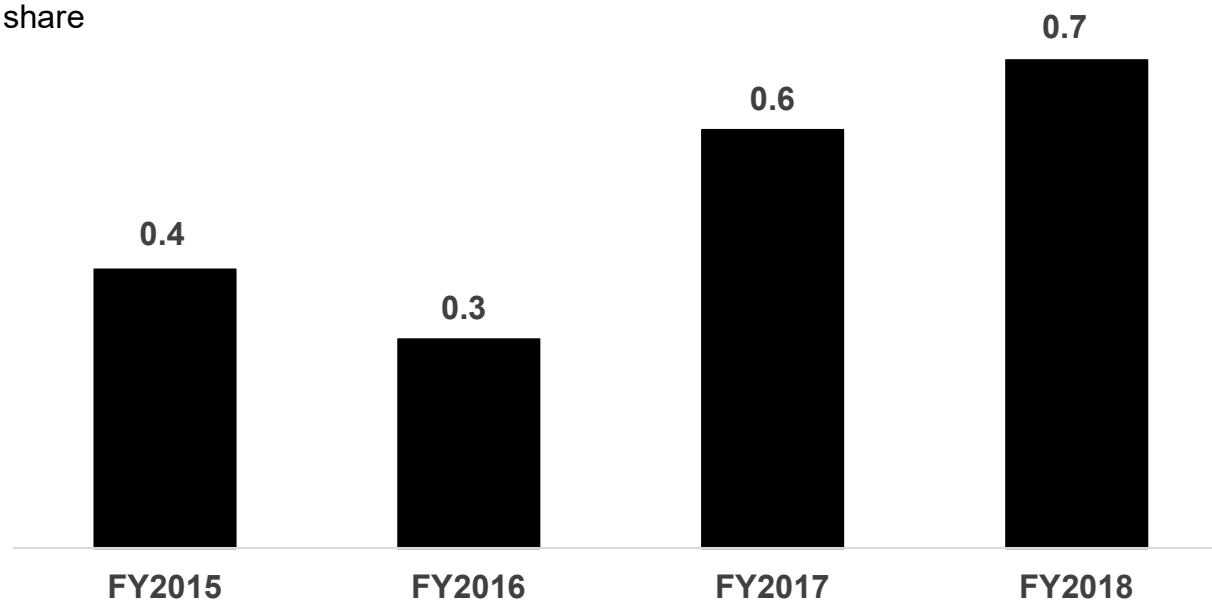
Balance Sheet Highlights



S\$'000	As at 30 June 2019	As at 31 December 2018
Assets		
Inventories	50,650	55,183
Trade and Other Receivables	108,299	96,225
Cash and Bank Balances	41,071	41,877
Property, Plant, and Equipment	39,338	39,314
Goodwill	12,227	12,227
Service Concession Receivables	32,576	30,233
Other Assets	8,561	8,042
Total Assets	292,722	283,101
Liabilities		
Trade and Other Payables (current)	66,289	69,380
Bank Borrowings (current)	17,950	16,423
Bank Borrowings (non-current)	11,692	11,842
Other Liabilities	2,226	3,248
Total Liabilities	98,157	100,893
Net Assets or Total Equity	194,565	182,208

Dividend Trend

Singapore cents
per share



The Group's new dividend policy from FY2017 targets to provide shareholders an **annual dividend payout of 25% of the net profit attributable to shareholders**