

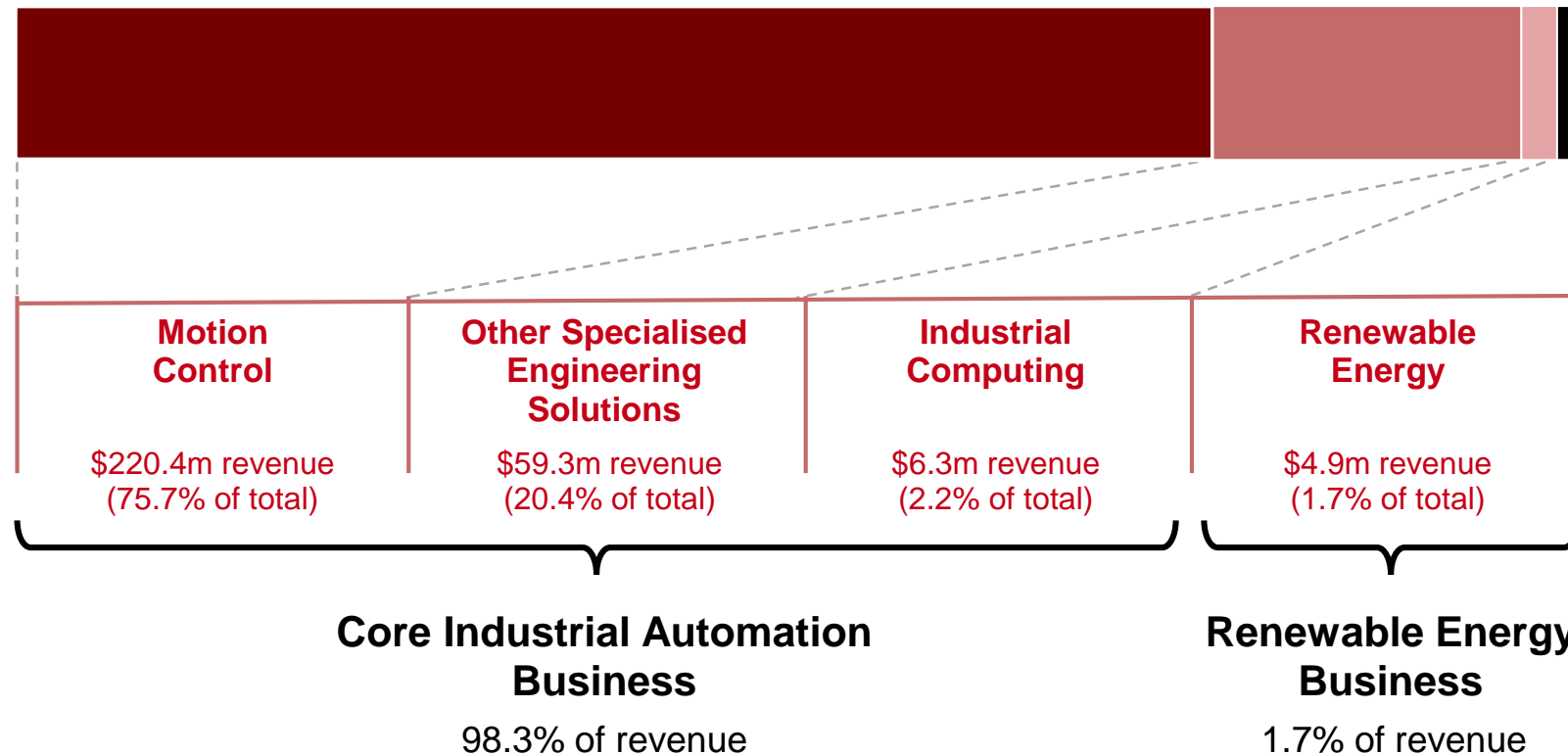


4
FINANCIALS

Business Structure



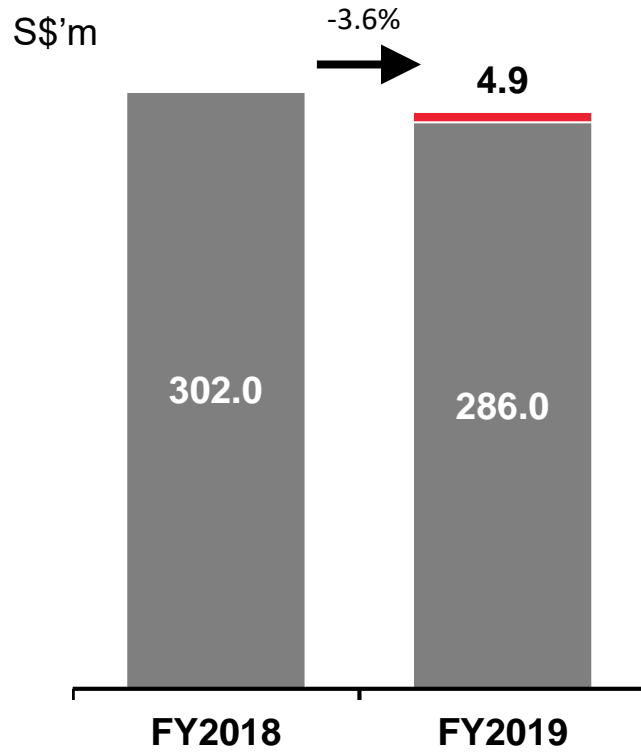
FY2019 REVENUE BREAKDOWN BY SEGMENT



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

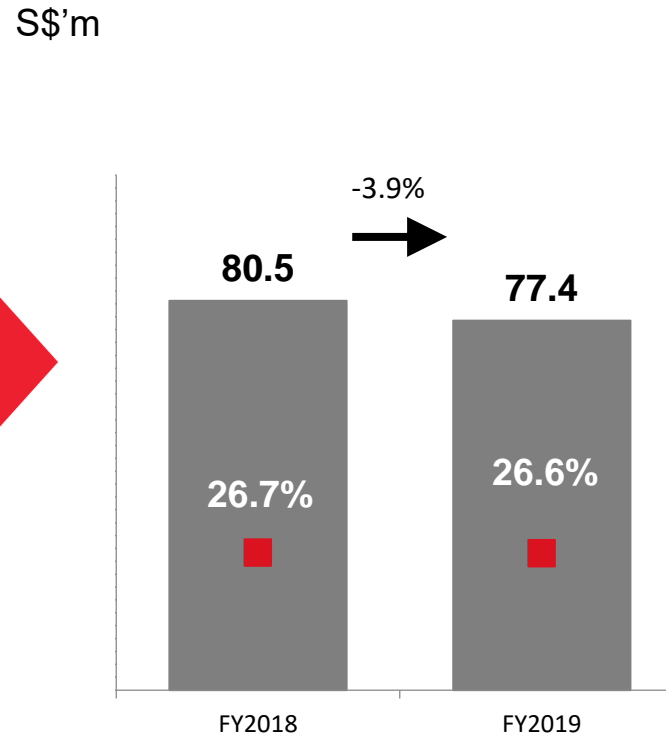
Financial Snapshot: FY2019

TOTAL REVENUE



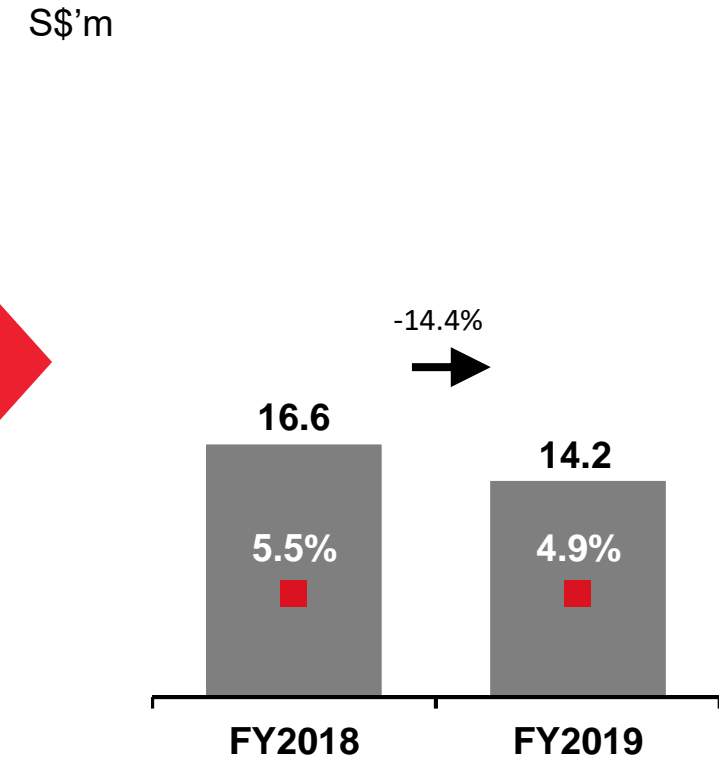
- Renewable Energy
- Engineering Solutions

GROSS PROFIT AND GROSS PROFIT MARGIN



- Gross Profit
- Gross Profit Margin

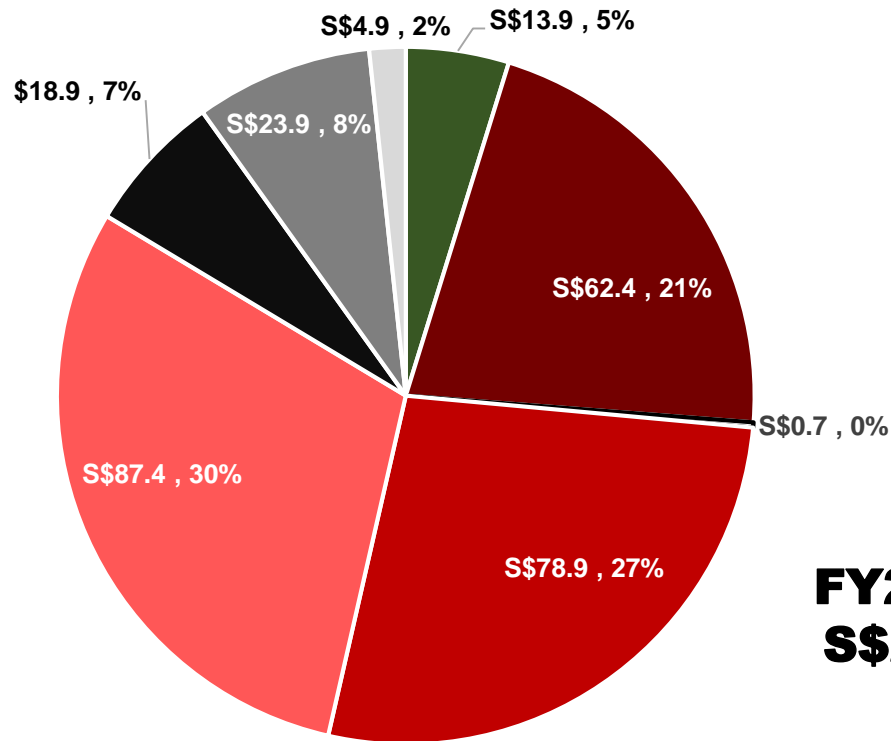
NET PROFIT AND NET PROFIT MARGIN



- Net Profit
- Net Profit Margin

FY2019 Revenue Breakdown

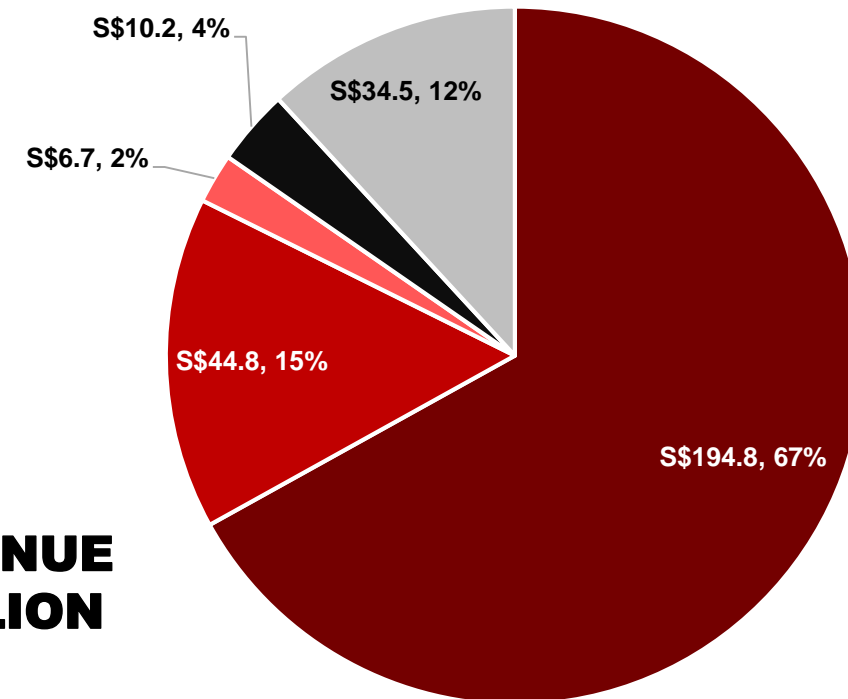
BY END-INDUSTRIES



**FY2019 REVENUE
S\$291.0 MILLION**

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

BY GEOGRAPHY



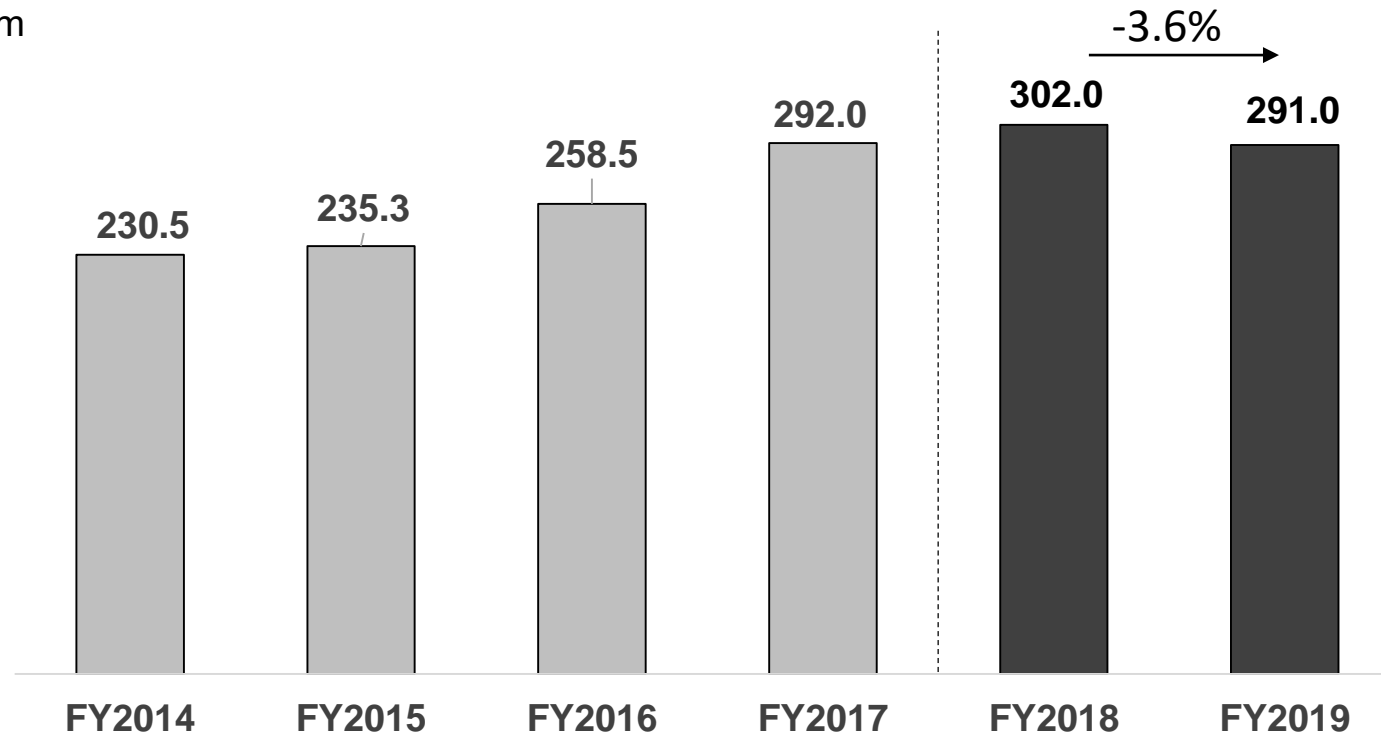
- PRC
- Hong Kong
- Others
- Singapore
- Malaysia

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

Revenue Trend

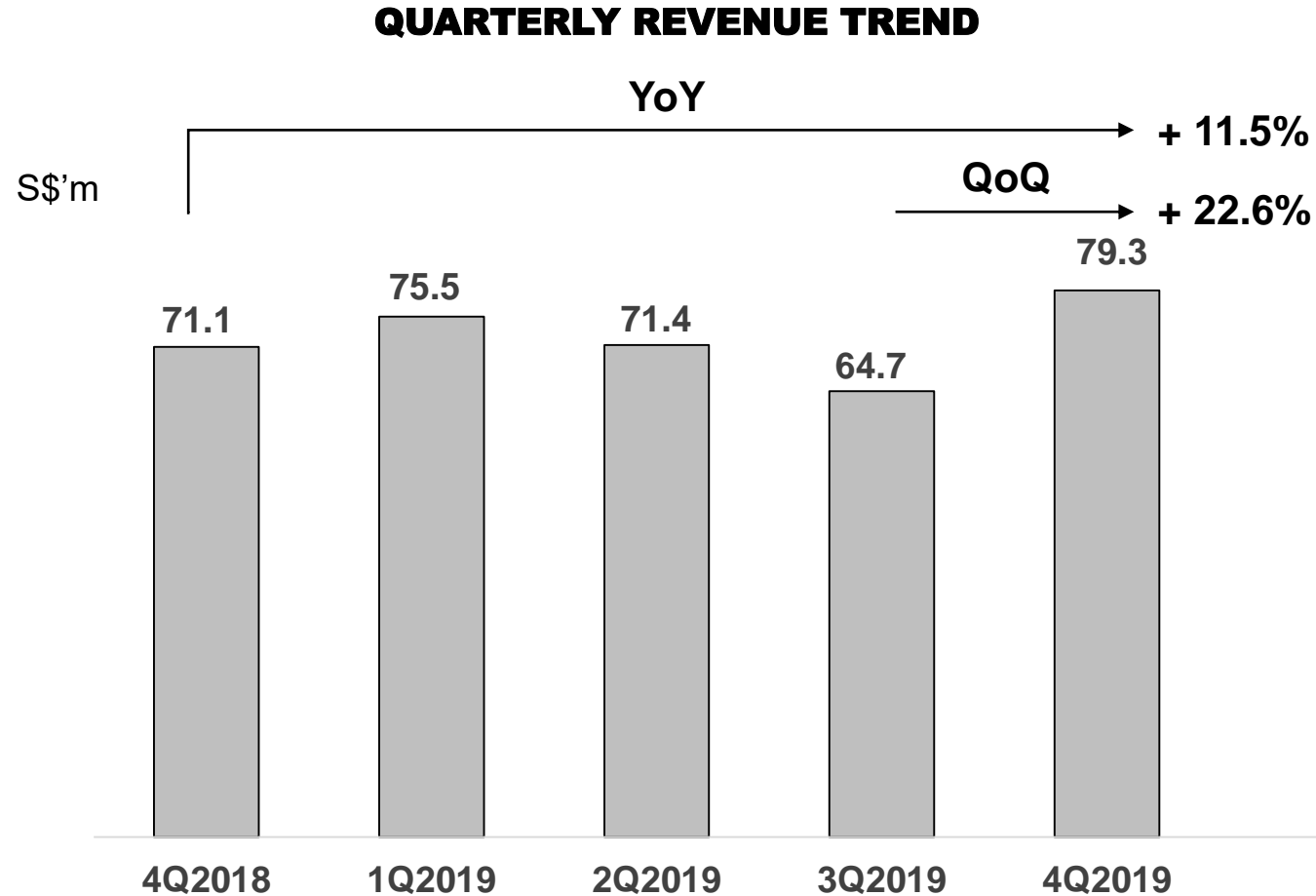
ANNUAL REVENUE TREND

S\$m



FY2019: Amid global trade tensions, cyclical in the semiconductor industry and the weakening RMB against the SGD, ISDN's FY2019 revenue declined 3.6% YoY. The Group's **diversified customer base, end-industries, and geographies** cushion the **medium-term volatilities** associated with the trade war.

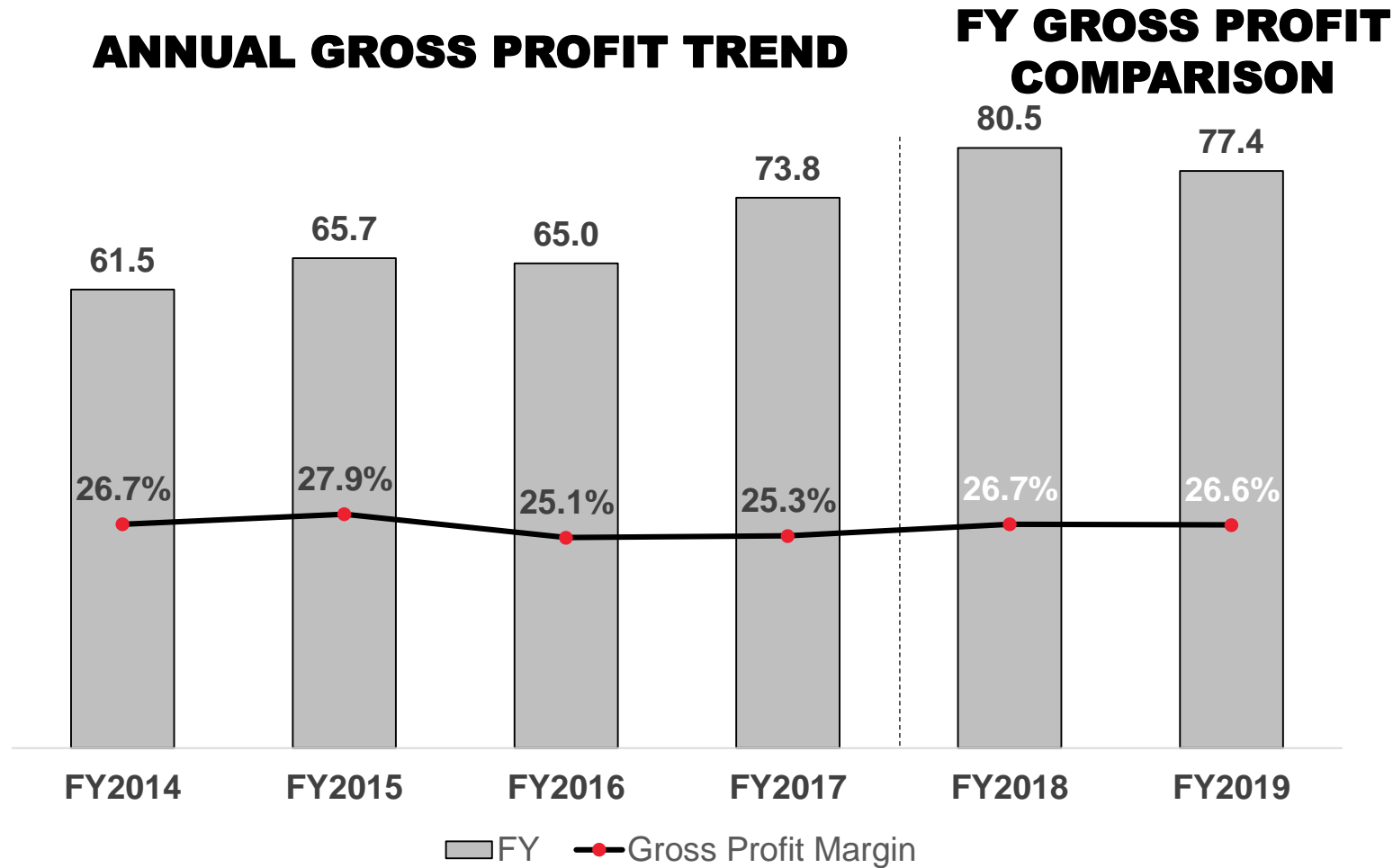
Revenue Trend



FY2019: On a quarterly basis, ISDN posts a 22.6% quarter-to-quarter increase in revenue to S\$79.3 million on the back of strong demand for motion control systems in the Chinese medical device market.

Gross Profit Trend

S\$m

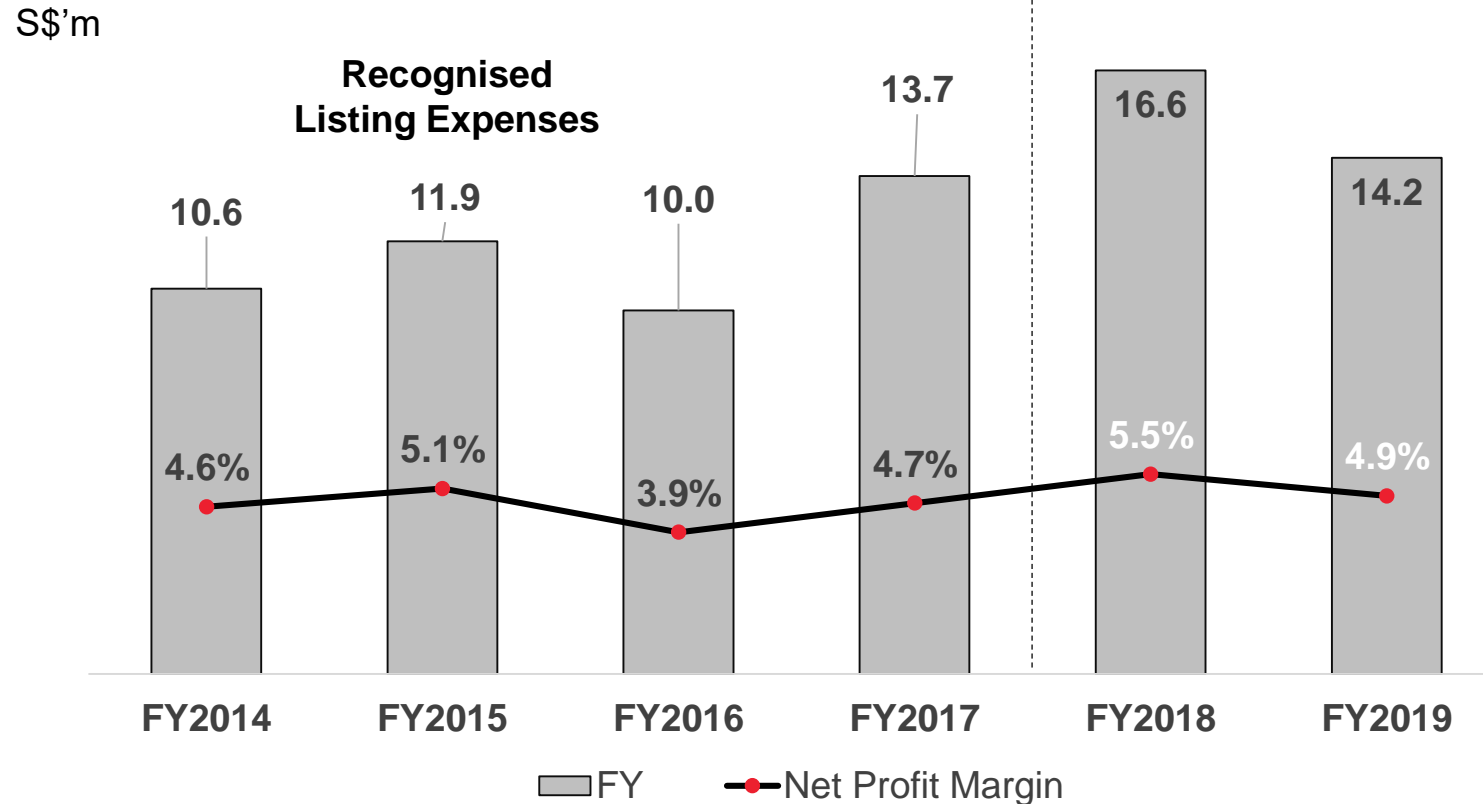


Annually, gross profit margin hovers **between 25 – 28%**. Excluding gross profit from the two mini-hydropower plants, the Group's gross profit margin would have increased by 0.2 percentage point.

Net Profit Trend

ANNUAL NET PROFIT TREND

FY NET PROFIT COMPARISON

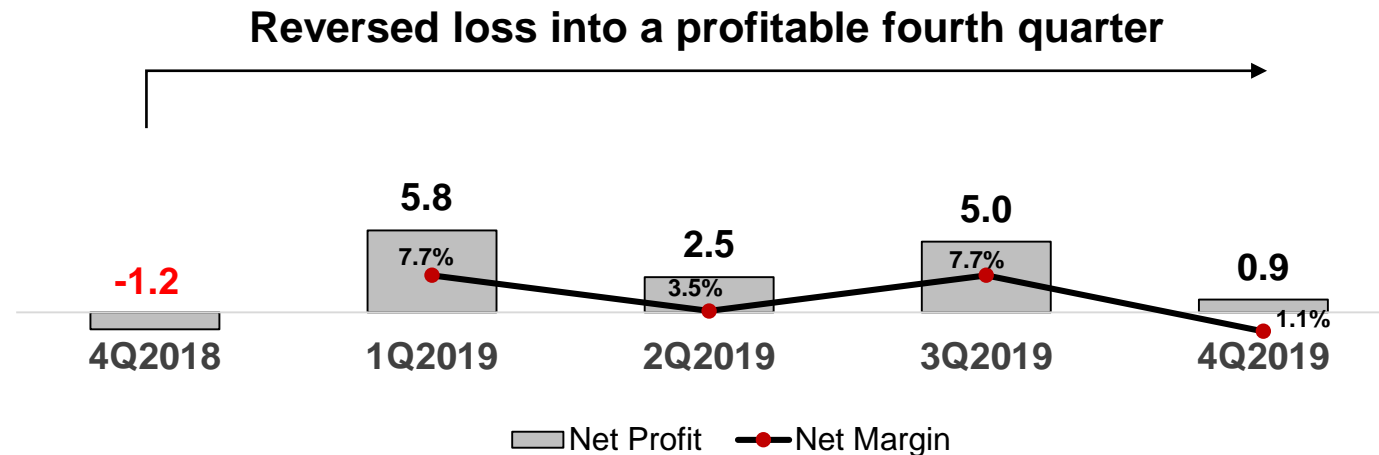


The Group has been **profitable since listing in 2005**. Annually, net profit margin hovers **between 4-6%**. **Net profit margin was 4.9% for FY2019**, well within the FY net profit margin band for the past 5 years.

Net Profit Trend

QUARTERLY NET PROFIT TREND

S\$m



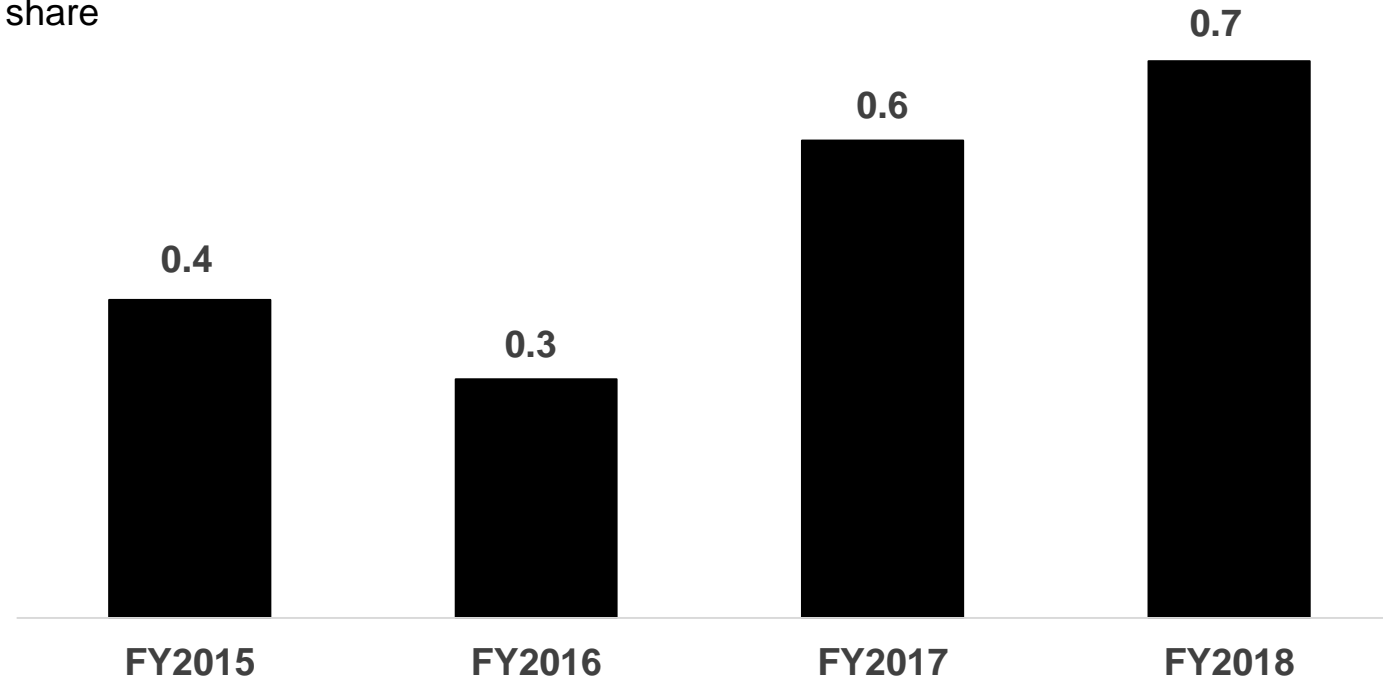
Mirroring the global macroeconomic trends, ISDN's net profit has seen some fluctuation since the onset of trade war in mid-2018. **Staying disciplined on cost management and agile** are key to power through this period of short-to-medium term volatilities.

Balance Sheet Highlights

S\$'000	As at 31 December 2019	As at 31 December 2018
Assets		
Inventories	53,131	55,183
Trade and Other Receivables	111,804	101,835
Cash and Bank Balances	37,998	41,877
Property, Plant, and Equipment	43,965	39,314
Goodwill	12,227	12,227
Service Concession Receivables	34,261	30,233
Other Assets	8,376	8,042
Total Assets	301,762	288,711
Liabilities		
Trade and Other Payables (current)	69,682	69,380
Bank Borrowings (current)	20,186	16,423
Bank Borrowings (non-current)	7,096	11,842
Other Liabilities	6,228	3,248
Total Liabilities	103,192	100,893
Net Assets or Total Equity	198,570	187,818

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**