



**ISDN Holdings Limited**  
**Interim Financial Statements Announcement**  
**For the First Quarter and Period Ended 31 March 2013**



**ISDN Holdings Limited**  
**2013 Interim Financial Statements Announcement**

**1(a)(i) A STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND PERIOD ENDED 31 MARCH 2013**

**An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial period.**

	Group	Group	
	3 months ended 31 March		
	2013	2012	Increase (Decrease)
	S\$'000	S\$'000	%
<b>Revenue</b>	30,893	32,830	(5.9)
Cost of sales	(21,878)	(22,780)	(4.0)
Gross profit	9,015	10,050	(10.3)
Other operating income	810	644	25.8
Distribution costs	(3,714)	(3,356)	10.7
Administrative expenses	(4,150)	(3,970)	4.5
Other operating expenses	(428)	(595)	(28.1)
Finance costs	(264)	(254)	3.9
Share of results of associates	290	353	(17.8)
<b>Profit before income tax</b>	1,559	2,872	(45.7)
Income tax expense	(500)	(485)	3.1
<b>Profit for the period</b>	1,059	2,387	(55.6)
Other comprehensive income:			
Exchange differences on translation of foreign operations	851	(1,143)	N/M
<b>Total comprehensive income for the period</b>	1,910	1,244	53.5
Profit after income tax attributable to:			
Equity holders of the Company	747	2,007	(62.8)
Non-controlling interests	312	380	(17.9)
	1,059	2,387	(55.6)
Total comprehensive income attributable to:			
Equity holders of the Company	1,493	995	50.1
Non-controlling interests	417	249	67.5
	1,910	1,244	53.5

N/M- not meaningful



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**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-**

**Profit from operations is determined after crediting/charging the following:**

	Group	Group	
	3 months ended 31 March		
	2013	2012	Increase (Decrease)
	S\$'000	S\$'000	%
<b>Other operating income (crediting)</b>			
Administrative income	32	31	3.2
Commission income	6	4	50.0
Finance income:			
- interest on bank deposits	29	29	-
Foreign exchange gain, net	310	-	N/M
Gain on disposal of property, plant and equipment	-	1	N/M
Technical service income	244	142	71.8
Write back of allowance for trade receivables	9	35	(74.3)
Write back of allowance for inventories obsolescence	13	50	(74.0)
Operating lease rental income:			
- investment properties	15	14	7.1
- sub-let of office/warehouse premises	67	92	(27.2)
Property management income	7	12	(41.7)
One off compensation received from a shareholder of an associate company	-	138	N/M
Miscellaneous income	78	96	(18.8)
	810	644	25.8

N/M- not meaningful



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**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:- Cont'd**

	Group	Group	
	3 months ended 31 March		
	2013	2012	Increase (Decrease)
	S\$'000	S\$'000	%
<b>Other operating expenses (charging)</b>			
Allowance for impairment of trade receivables	134	105	27.6
Allowance for inventories obsolescence	277	233	18.9
Amortisation of intangible assets	6	5	20.0
Amortisation of prepayment of land use rights	8	8	-
Bad trade receivables written off	-	16	N/M
Foreign exchange losses, net	-	218	N/M
Property, plant and equipment written off	2	-	N/M
Inventories written off	1	2	(50.0)
Loss on disposal of property, plant and equipment	-	8	N/M
	428	595	(28.1)
<i>Included in Distribution costs</i>			
Depreciation of property, plant and equipment	32	28	14.3
<i>Included in Administrative expenses</i>			
Depreciation of property, plant and equipment	324	360	(10.0)
Depreciation of investment properties	4	5	(20.0)
<i>Included in cost of sales</i>			
Depreciation of property, plant and equipment	70	61	14.8

N/M- not meaningful



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**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:- Cont'd**

	Group	Group	
	3 months ended 31 March		
	2013	2012	Increase (Decrease)
	S\$'000	S\$'000	%
<b>Income tax expense</b>			
Current taxation	574	421	36.3
Deferred taxation	11	3	N/M
(Over)/Under provision of tax in respect of prior years	(85)	61	N/M
	<hr/>	<hr/>	
	500	485	3.1
	<hr/>	<hr/>	

N/M- not meaningful



**ISDN Holdings Limited**  
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**(1)(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
<b>31 March 2013</b>	<b>31 December 2012</b>	<b>31 March 2013</b>	<b>31 December 2012</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>

**ASSETS**

**Non-current assets**

Property plant and equipment	26,836	26,546	-	-
Investment properties	608	611	-	-
Intangible assets	18	24	-	-
Prepayment- land use rights	1,478	1,467	-	-
Goodwill on consolidation	11,686	11,686	-	-
Subsidiaries	-	-	35,882	35,882
Associates	3,712	3,416	31	31
<b>Total non current assets</b>	<b>44,338</b>	<b>43,750</b>	<b>35,913</b>	<b>35,913</b>

**Current assets**

Inventories	27,441	25,532	-	-
Trade and other receivables	41,358	49,138	178	193
Amount owing by subsidiaries	-	-	8,944	9,489
Dividend receivable	-	-	4,150	4,500
Cash and bank balances and fixed deposits	26,852	25,071	376	92
<b>Total current assets</b>	<b>95,651</b>	<b>99,741</b>	<b>13,648</b>	<b>14,274</b>

**Total Assets**

<b>139,989</b>	<b>143,491</b>	<b>49,561</b>	<b>50,187</b>
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**(1)(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year. Cont'd**

<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
<b>31 March 2013</b>	<b>31 December 2012</b>	<b>31 March 2013</b>	<b>31 December 2012</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>

**EQUITY AND LIABILITIES**

**Equity attributable to members of the Company**

Share capital	44,855	44,855	44,855	44,855
Treasury shares	(162)	(162)	(162)	(162)
Reserves	37,040	35,625	1,132	1,636
	<b>81,733</b>	<b>80,318</b>	<b>45,825</b>	<b>46,329</b>
<b>Non-controlling interests</b>	<b>7,162</b>	<b>6,606</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>88,895</b>	<b>86,924</b>	<b>45,825</b>	<b>46,329</b>

**Non-current liabilities**

Bank borrowings	3,789	5,557	-	-
Finance leases	258	275	-	-
Deferred tax liabilities	14	7	-	-
<b>Total non-current liabilities</b>	<b>4,061</b>	<b>5,839</b>	<b>-</b>	<b>-</b>

**Current liabilities**

Bank borrowings	13,280	15,602	-	-
Current portion of finance leases	64	62	-	-
Trade and other payables	32,329	33,102	3,736	3,858
Current income tax liabilities	1,360	1,962	-	-
<b>Total current liabilities</b>	<b>47,033</b>	<b>50,728</b>	<b>3,736</b>	<b>3,858</b>
<b>Total liabilities</b>	<b>51,094</b>	<b>56,567</b>	<b>3,736</b>	<b>3,858</b>

<b>Total equity and liabilities</b>	<b>139,989</b>	<b>143,491</b>	<b>49,561</b>	<b>50,187</b>
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**(1)(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-**

**The amount repayable in one year or less, or on demand:**

<b>As at 31 March 2013</b>		<b>As at 31 December 2012</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
4,403	8,941	6,960	8,704

**The amount repayable after one year;**

<b>As at 31 March 2013</b>		<b>As at 31 December 2012</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
3,997	50	5,637	195

**Details of any collaterals.**

The secured borrowings relate to:-

- 1) The finance lease obligations of various subsidiaries which are secured against respective assets under the finance lease arrangement.
- 2) Legal mortgage over a land use right and a leasehold property of a subsidiary for a term loan. The said facility is also secured by corporate guarantee provided by the Company and a subsidiary.
- 3) There are legal mortgages over four leasehold properties of three subsidiaries and one investment property of a subsidiary for facilities including a term loan, a commercial property loan and trade facilities. The said facilities are also secured by corporate guarantee provided by the Company.





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**(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	3 months ended 31 March	
	2013	2012
	S\$'000	S\$'000
<b>Cash flow from operating activities:</b>		
Profit before income tax	1,559	2,872
Adjustments for:		
Amortisation of intangible assets	6	5
Amortisation of land use rights	8	8
Bad trade receivables written off	-	16
Depreciation of property, plant and equipment	426	449
Depreciation of investment properties	4	5
Allowance for impairment of trade receivables	134	105
Allowance for inventories obsolescence	277	233
Inventories written off	1	2
Loss on disposal of property, plant and equipment	-	8
Property, plant and equipment written off	2	-
Write back of allowance for inventories obsolescence	(13)	(50)
Write back of allowance for impairment of trade receivables	(9)	(35)
Interest expense	264	254
Interest income	(30)	(29)
Share of results of associates	(290)	(353)
Unrealised currency translation differences	(156)	332
<b>Operating cash flow before working capital changes</b>	2,183	3,822
Inventories	(2,173)	1,602
Trade and other receivables	8,078	(3,335)
Trade and other payables	(785)	904
Cash generated from operations	7,303	2,993
Interest paid	(264)	(254)
Interest received	30	29
Income tax paid	(1,090)	(307)
<b>Net cash generated from operating activities</b>	5,979	2,461



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**(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year. Cont'd**

	3 months ended 31 March	
	2013	2012
	S\$'000	S\$'000
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(139)	(387)
Proceeds from sales property, plant and equipment	-	3
<b>Net cash used in investing activities</b>	(139)	(384)
<b>Cash flows from financing activities:</b>		
Dividends to non-controlling interests	-	(1,425)
Investment in subsidiaries by non-controlling interests	61	5
Repayment from a joint venture	-	39
Amount owing to/(Repayment from) non-controlling interests	8	(48)
Decrease on restricted bank balances	195	-
Proceeds from bank loans	892	-
Repayment of bank loans	(1,806)	(2,362)
Repayment of short-term loans	(300)	(761)
(Repayment of)/Proceeds from trust receipts (net)	(2,877)	6
Repayment of finance leases	(14)	(14)
<b>Net cash used in financing activities</b>	(3,841)	(4,560)
Net decrease in cash and cash equivalents	1,999	(2,483)
Cash and cash equivalents at beginning of period	25,071	28,403
Effect of currency translation on cash and cash equivalents	(23)	(56)
Cash and cash equivalents at end of period (Note A)	27,047	25,864



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**(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year. Cont'd**

**Note A:**

For the purpose of the consolidated cash flow statement, the period end cash and cash equivalents comprise the following:

	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Cash and bank balances	26,839	24,584
Fixed deposits	13	1,280
	<hr/>	<hr/>
	26,852	25,864
(Add) Decrease in restricted bank balances	195	-
Cash and cash equivalents at end of period	<hr/>	<hr/>
	27,047	25,864



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**(1)(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Share capital	Treasury shares	Merger reserves	Exchange translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>									
<b>Balance as at 1 January 2012</b>	44,855	(340)	(436)	139	1,909	31,675	77,802	6,018	83,820
Total comprehensive income for the period	-	-	-	(1,012)	-	2,007	995	249	1,244
Acquisition of non-controlling interests	-	-	-	-	-	-	-	5	5
Transfer to other reserves	-	-	-	-	-	2	2	(2)	-
<b>Balance as at 31 March 2012</b>	<b>44,855</b>	<b>(340)</b>	<b>(436)</b>	<b>(873)</b>	<b>1,909</b>	<b>33,684</b>	<b>78,799</b>	<b>6,270</b>	<b>85,069</b>
<b>Balance as at 1 January 2013</b>	44,855	(162)	(436)	(1,339)	3,174	34,226	80,318	6,606	86,924
Total comprehensive income for the period	-	-	-	746	-	747	1,493	417	1,910
Capital contributed by non-controlling interest	-	-	-	-	-	-	-	61	61
Transfer to other reserves	-	-	-	-	93	(171)	(78)	78	-
<b>Balance as at 31 March 2013</b>	<b>44,855</b>	<b>(162)</b>	<b>(436)</b>	<b>(593)</b>	<b>3,267</b>	<b>34,802</b>	<b>81,733</b>	<b>7,162</b>	<b>88,895</b>



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**(1)(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. Cont'd**

	Share capital	Retained earnings	Treasury shares	Total
	S\$'000	S\$'000	\$'000	S\$'000
<b><u>Company</u></b>				
<b>Balance as at 1 January 2012</b>	44,855	1,826	(340)	46,341
Total comprehensive income for the period	-	(517)	-	(517)
<b>Balance as at 31 March 2012</b>	44,855	1,309	(340)	45,824
<b>Balance as at 1 January 2013</b>	44,855	1,636	(162)	46,329
Total comprehensive loss for the period	-	(504)	-	(504)
<b>Balance as at 31 March 2013</b>	44,855	1,132	(162)	45,825



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**(1)(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period ended 31 March 2013, there have been no changes in the Company's share capital.

**(1)(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year.**

	Group		Company	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	No. of shares	No. of shares	No. of shares	No. of shares
Issued share capital at the end of the period (net of treasury shares)	300,214,950	300,214,950	300,214,950	300,214,950

**(1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported**

	Group		Company	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	No. of treasury shares	No. of treasury shares	No. of treasury shares	No. of treasury shares
Balance at beginning and end of period	1,105,000	1,105,000	1,105,000	1,105,000



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**2. Whether the figures have been audited, or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statement for the period ended 31 March 2013 as those used for the audited financial statement as at 31 December 2012.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Adoption of new or revised Financial Reporting Standards ("FRS") applicable for the financial period beginning 1 January 2013 are as follows:-

- FRS (Amendment) Presentation of Items of Other Comprehensive Income
- FRS 107 Financial Instruments: Disclosures – Offsetting of Financial Assets and Financial Liabilities
- FRS113 Fair Value Measurements
- Improvements to FRSs issued in 2013:
  - Amendments to FRS 1 Presentation of Financial Statements
  - Amendments to FRS 16 Property, Plant and Equipment
  - Amendments to FRS 32 Financial Instruments: Presentation

The adoption of these FRS does not impact the financial statement significantly.



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**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

Group	Group
3 months ended 31 March	
2013	2012
Singapore cents	Singapore cents

EPS (based on consolidated net profit attributable to shareholders)		
- on weighted average number of ordinary shares on issue	0.25	0.67
- on a fully diluted basis	0.25	0.67
Weighted average number of ordinary shares in issue for basic EPS (net of treasury shares)	300,214,950	298,654,950
Weighted average number of ordinary shares for diluted EPS (net of treasury shares)	300,214,950	298,654,950

**7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
	Singapore cents	Singapore cents	Singapore cents	Singapore cents
<b>Net asset value per share based on existing issued capital as at respective period</b>	27.22	26.75	15.26	15.43
Issued share capital at the end of the period (net of treasury shares)	300,214,950	300,214,950	300,214,950	300,214,950





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**8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

**STATEMENT OF COMPREHENSIVE INCOME ITEMS**

***Quarter on Quarter***

**Revenue**

The Group is an integrated specialist engineering solutions provider, serving customers across a broad range of industries within China and the rest of Asia.

***Revenue by Geographical Location***

	3 months ended 31 March		Increase (Decrease)	
	2013	2012		
	S\$'000	S\$'000	S\$'000	%
Singapore	6,049	9,126	(3,077)	(33.7)
People's Republic of China ("PRC")	21,581	20,810	771	3.7
Malaysia	1,524	1,145	379	33.1
Others	1,739	1,749	(10)	(0.6)
Total	30,893	32,830	(1,937)	(5.9)

**Notes to table:**

Others include but not limited to Taiwan, Thailand, Indonesia, Japan, Korea, Philippines, Vietnam, Sri Lanka, South Africa, , Norway, Netherlands, Russia, Pakistan, Germany, United States of America, India, Australia, Canada and United Arab Emirates.

The Group registered lower sales revenue in the 1Q 2013 as compared to the previous corresponding period of 2012.

Weaker demand from customers who are from industries like semiconductor was the reason for the decline in sales revenue in Singapore, as a result of economic slowdown.



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### Revenue by Business Segment

	3 months ended 31 March		Increase (Decrease)	
	2013	2012		
	S\$'000	S\$'000	S\$'000	%
Motion Control	23,678	24,911	(1,233)	(4.9)
Other Specialised Engineering Solutions	5,977	6,423	(446)	(6.9)
Industrial Computing	1,214	1,482	(268)	(18.1)
Others	24	14	10	71.4
Total	30,893	32,830	(1,937)	(5.9)

In line with the overall decline in sales revenue, the Group's various products groups recorded lower income in 1Q2013 as compared to 1Q 2012.

The decline was mainly due to weaker demand from Motion Control business segment, which mainly supports industries like semiconductor because of economic slowdown.

Increase in sales revenue of S\$10,000 recorded under Others group was contributed by our Hydroponics business.

### Gross profit

In line with the decrease in sales revenue, the Group's gross profit declined by S\$1.03 million or 10.3% from S\$10.05 million in 1Q2012 to S\$9.02 million in 1Q2013. Gross profit margin remained relatively stable at 29.2% in 1Q2013.

### Other operating income

Other operating income increased by S\$166,000 from S\$644,000 in 1Q2012 to S\$810,000 in 1Q2013 mainly due to foreign exchange gain.

### Distribution costs

Distribution costs increased by S\$358,000 or 10.7% from S\$3.36 million in 1Q2012 to S\$3.71 million in 1Q2013 mainly due to increase in sub-contractor costs.

### Administrative expenses

Administrative expenses increased by S\$180,000 or 4.5% from S\$3.97 million in 1Q2012 to S\$4.15 million in 1Q2013 mainly due to increment in staff cost.



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### **Other operating expenses**

Other operating expenses decreased by S\$167,000 or 28.1% from S\$595,000 in 1Q2012 to S\$428,000 in 1Q2013. This was due to no foreign exchange loss previously recognized in 1Q2012.

### **Share of results of associates**

Share of results of associates decreased by S\$63,000 or 17.8% from S\$353,000 in 1Q2012 to S\$290,000 in 1Q2013 mainly due to lower contribution from associates.

## **STATEMENT OF FINANCIAL POSITION ITEMS**

### **Associates**

The increase in Associates was mainly due to share of results of Associates.

### **Inventories**

Inventories increased by S\$1.91 million or 7.5% from S\$25.53 million as at 31 December 2012 to S\$27.44 million as at 31 March 2013 as a result of delayed delivery to customers.

### **Trade and other receivables**

The decrease of S\$7.78 million in Trade and other receivables was mainly due to increase in collection from customers.

Subsequent payment of about S\$5.20 million was received from customers as at 19 April 2013. It represents approximately 16.0% of trade receivables as at 31<sup>st</sup> March 2013.

The customers who have delayed payments are still paying progressively and/or having ongoing transactions with the Group. They are the long time customers of the Group and the Group is regularly in close contact with them.

### **Bank borrowings**

Bank borrowings decreased by S\$4.10 million or 19.4% from S\$21.16 million as at 31 December 2012 to S\$17.06 million as at 31 March 2013. The decline was mainly due to repayment of bank borrowings.



## **CASH FLOW STATEMENT**

Net cash generated from operating activities increased from S\$2.46 million during period ended 31 March 2012 to S\$5.98 million during period ended 31 March 2013. The increase was mainly due to increase in collection from customers.

Net cash used in investing activities decreased from S\$384,000 during period ended 31 March 2012 to S\$139,000 during period ended 31 March 2013 mainly due to lower amount of purchase of property, plant and equipment.

Net cash used in financing activities decreased from S\$4.56 million during period ended 31 March 2012 to S\$3.84 million during period ended 31 March 2013 mainly due to no dividend payments to non-controlling interests and more loan repayment.

With the above, cash and cash equivalents increased by S\$1.18 million or 4.6% from S\$25.86 million as at 31 March 2012 to S\$27.05 million as at 31 March 2013.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

### **10. A commentary at the date of the announcement of the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

We expect the business outlook to remain challenging for the Group in the next reporting period and the next 12 months because the economic growth of countries in which the Group has presence is expected to slow down. Nonetheless, we remain positive on the Group performance in these countries because of our established and strong business network. The Group will continue to identify and penetrate into new markets and products for additional sources of revenue and expand our presence in markets where there is good potential for further growth.

### **11. Dividend**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

**(b) (i) Amount per share; (ii) Previous corresponding period;**

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No



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(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(d) The date the dividend is payable**

Not applicable.

**(e) The date on which Registrable Transfers received by the Company (up to 5.00p.m.) will be registered before entitlements to the dividend are determined.**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained.

**14. Statement by Directors Pursuant to SGX Listing Rule 705(5)**

We, Teo Cher Koon and Kong Deyang, being Directors of ISDN Holdings Limited, hereby confirm on behalf of the Board of Directors that to the best of their knowledge, nothing has come to the attention of the Directors which may render the unaudited interim financial results (comprising the comprehensive income statement, balance sheet, cash flow statement and statement of changes in equity, together with the accompanying notes) presented in this announcement to be false or misleading in any material aspect.

By Order of the Board

Gwendolyn Gn  
Company Secretary  
ISDN Holdings Limited

9 May 2013