

ISDN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200416788Z)

CLARIFICATIONS RELATD TO THE FY 2008 FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT RELEASED BY ISDN HOLDINGS LIMITED ("THE COMPANY") THROUGH SGXNET ON 20 FEBRUARY 2009

The Board of Directors of ISDN Holdings Limited (the "**Company**") refers to the FY 2008 full year financial statements announcement released through SGXNET on 20 February 2009 ("**Announcement**"). The Board of Directors wishes to provide the shareholders with certain clarifications related to the Announcement to ensure complete clarity on the FY 2008 full year financial statements of the Company.

The clarifications are as follows:

I. Paragraph 1(a)(ii) of the Announcement - Other operating expenses - "Allowance on trade receivables"

Allowance on trade receivables consists of debts more than one (1) year old and these customers disputed with the Company on the outstanding amount. Appropriate legal actions have been taken but the debts were still not recoverable and the Company decided to provide for these debts.

The Board of Directors would like to further clarify that none of these customers are major customers of the Company.

II. 8(xv) - Other payables

The Board of Director invites the attention of the shareholders to announcements released through SGXNET on 11 December 2007 and 13 December 2007 for information related to the acquisition of Dirak Asia by the Company. Further, the approval was obtained from shareholders of the Company at the Extraordinary General Meeting held on 7 January 2008, in relation to the Dirak Asia Acquisition.

By Order of the Board of Directors
Teo Cher Koon
Managing Director
27 February 2009