

ISDN HOLDINGS LIMITED

(Company Registration Number: 200416788Z)

(Incorporated in the Republic of Singapore)

ACQUISITION OF ACCEL TECHNOLOGIES (CHINA) CO. LTD. BY ISDN HOLDINGS LIMITED AS A WHOLLY OWNED SUBSIDIARY THROUGH MOTION CONTROL GROUP PTE LTD

The Board of Directors (the "**Board**") of ISDN Holdings Limited (the "**Company**") wishes to announce that its wholly-owned subsidiary, Motion Control Group Pte Ltd ("**MCG**") has acquired 100% interest in the entire issued and paid up share capital of Accel Technologies (China) Co. Ltd., (formerly known as, USAS Motion (Suzhou) Co., Ltd) ("**Accel**") from USAS Motion Co., Ltd ("**USAS**"). USAS is a subsidiary of the Company through MCG, which owns 95% of the entire issued and paid up share capital of USAS.

The abovementioned transfer of shares of Accel was made by USAS to MCG at zero consideration. The value of the net tangible assets being acquired by the Company is approximately S\$1,000.

Prior to the above transaction, the Company had an indirect interest of 95% of the entire issued and paid up share capital of Accel through MCG. Pursuant to the abovementioned transfer, Accel is now a wholly owned subsidiary of the Company through MCG.

The above transaction is not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 31 December 2009.

None of the Directors or the controlling shareholders of the Company have any interest, direct or indirect, in the above transaction, other than by reason of being such a Director or controlling shareholder.

By Order of the Board

Teo Cher Koon
Managing Director and President
ISDN Holdings Limited
21 October 2009