

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

**INCORPORATION OF A COMPANY IN CHINA
- SUZHOU D SNAP TECHNOLOGIES CO., LTD.**

The Board of Directors of ISDN Holdings Limited (the "Company") wishes to announce that its 49% joint venture, Dirak Asia Pte. Ltd. ("Dirak Asia"), has set up a wholly-owned company, namely Suzhou D Snap Technologies Co., Ltd ("D Snap Tech") in China. D Snap Tech will be principally engaged in the business of manufacturing and sale of D-Snap products and promotion of D-Snap technology applications. D Snap Tech will help to widen product coverage and deepen market penetration in China.

The registered capital of D Snap Tech is USD 210,000 and the investment is held through Dirak Asia.

The above investment will be funded through internal resources. The investment is not expected to have a material impact on the Company's earnings per share and net tangible assets per share for the current financial year ending 31 December 2008.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company except for Mr Teo Cher Koon, Managing Director of the Company, who also owns 1% indirect interest in D Snap Tech, through his 1% direct interest in Dirak Asia.

By order of the Board of Directors
Teo Cher Koon
Managing Director
18 January 2008