

# ISDN HOLDINGS LIMITED

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## CLARIFICATIONS ON ANNUAL REPORT 2006

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Further to the Annual Report 2006 (“AR”) released on 11 April 2007, the Board of Directors of ISDN Holdings Limited (the “Company”) are pleased to clarify the following reclassifications between its AR and unaudited full year financial results announcement for year ended 31 December 2006 released on 1 March 2007 (“announcement”):-

- 1) In the balance sheet at company level, the AR shows non-current assets and current assets being S\$10,249,000 and S\$6,386,000 respectively, whilst the announcement shows non-current assets and current assets being S\$6,590,000 and S\$10,037,000 respectively. This is mainly due to reclassification of inter-company balances which are not foreseen to be repayable in the next twelve months, from current assets to non-current assets in the AR. This is an alignment to better presentation for Singapore Financial Reporting Standards (“SFRS”).
- 2) In the consolidated cash flow statement, the net cash generated from operating activities showed an amount of S\$1,753,000 in the AR but S\$2,372,000 in the announcement. The net cash used in investing activities showed an amount of S\$2,668,000 in the AR but S\$3,283,000 in the announcement. This is mainly due to reclassification of dividend received from an associate from operating activities to investing activities in the AR. This is an alignment to better presentation for SFRS.

By order of the Board  
Teo Cher Koon  
Managing Director and President  
19 April 2007