

ISDN HOLDINGS LIMITED

(Company Registration Number: 200416788Z)

USE OF NET PROCEEDS FROM PLACEMENT OF 12,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF ISDN HOLDINGS LIMITED AT S\$0.48 FOR EACH PLACEMENT SHARE ON 20 APRIL 2007 AND 16 MAY 2007 RESPECTIVELY

USE OF NET PROCEEDS FROM PLACEMENT OF 12,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF ISDN HOLDINGS LIMITED AT S\$0.48 FOR EACH PLACEMENT SHARE ON 20 APRIL 2007

Further to the announcement made on 20 April 2007 in relation to the completion of the proposed placement (the "Placement") of 12,000,000 new ordinary shares in the capital of ISDN Holdings Limited (the "Company") at S\$0.48 for each placement share, the Board of Directors of the Company would like to announce that net proceeds from the Placement amounting to S\$5.55 million has been utilised for the following purposes:

Intended uses	Net allocated proceeds SGD'000	Net proceeds used to date SGD'000	Balance SGD'000
Mergers and acquisitions	1,000	324	676
Excel Best*	1,500	1,500	NIL
Working capital	3,051	3,051	NIL
Total	5,551	4,875	676

* The proceeds were used for the acquisition of Excel Best Industries (Suzhou) Co., Ltd, a company which owns approximately 60 Chinese MU (approximately 40,000 sqm) leasehold land in Wujiang, in the Province of Jiangsu, PRC China.

The Board of Directors of the Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds from the Placement as and when such proceeds are materially deployed.

USE OF NET PROCEEDS FROM PLACEMENT OF 12,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF ISDN HOLDINGS LIMITED AT S\$0.48 FOR EACH PLACEMENT SHARE ON 16 MAY 2007

Further to the announcement made on 16 May 2007 in relation to the completion of the proposed placement (the "Placement") of 12,000,000 new ordinary shares in the capital of ISDN Holdings Limited (the "Company") at S\$0.48 for each placement share, the Board of Directors of the Company would like to announce that the net proceeds from the Placement amounting to S\$5.51 million has been utilised for the following purposes:

Intended uses	Net proceeds allocated SGD'000	Net proceeds used to date SGD'000	Balance SGD'000
Working capital**	5,505	2,634	2,871
Total	5,505	2,634	2,871

** The net proceeds may be used for potential mergers and acquisitions, as and when the opportunities arise.

The Board of Directors of the Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds from the Placement as and when such proceeds are materially deployed.

By Order of the Board

Teo Cher Koon
Managing Director
24 August 2007