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FOR IMMEDIATE RELEASE

**SGX Mainboard-listed ISDN Holdings Ltd inks landmark MOU with
China's leading state-owned power enterprise to spearhead foray
into energy generation in South-east Asia and beyond**

Singapore, 5 April 2013 -- SGX Main Board listed ISDN Holdings Limited ("ISDN" or "The Group"), an integrated engineering solutions provider for diverse industries, today signs a Memorandum of Understanding (MOU) with China Huadian Engineering Co., Ltd (CHD), one of China's large and leading state-owned power and industrial play. The two companies, ISDN Investments Pte Ltd, a wholly-owned investment holding arm of ISDN Holdings Ltd, and China Huadian reached an in-principle agreement to collaborate on energy-related projects in South-east Asia.

ISDN recently announced plans to construct a 10 MW mini-hydropower plant in Indonesia in line with the Group's diversification efforts. China Huadian Corporation is a Chinese wholly state-owned enterprise established in 2002 with a registered capital of RMB 12 billion with mainstay businesses in electricity generation and power supply as well as clean energies including wind power, nuclear power, bio-energy and solar power. Its total assets are valued at RMB 330 billion and its annual power output reached up to 300 billion kW/h in 2009. CHD also controls shares in limited companies such as Huadian Power International Co.,Ltd, Huadian Power Co.,Ltd, State Power Nanjing Automation Co.,Ltd., Huadian Jinshan Power Co.,Ltd. and Guizhou Qianyuan Power Co., Ltd.

Since July 2012, both parties have explored and engaged in extensive negotiations that culminated in the proposed joint effort to develop ISDN's planned maiden energy venture in Dataru hydropower plant in Sulawesi, Indonesia. Based on the numerous energy opportunities that has been presented to ISDN by way of its marketing network and established corporate reputation in Asia-Pacific, both companies have now agreed to scale up their strategic alliance towards establishing a long-term synergistic partnership.

Mr Teo Cher Koon, ISDN Managing Director and President said, “The signing of this MOU is a major step in lifting ISDN to becoming a credible and potentially significant power industry player in the South-east Asian market and beyond.

“By leveraging on our engineering heritage and technological capabilities and supported by an able partner with a stellar and established track record in power generation and infrastructure construction, it makes our foray into the clean energy sphere a measured yet sustainable business undertaking,” Mr Teo added.

China Huadian Corporation is mainly engaged in heavy machinery, environmental protection and water treatment, general contracting, new energy technology development, international trade and business; covering power, chemical, port, metallurgy, mining, municipal and other fields. CHD has a foreign project contracting business qualification and is a national high-tech enterprise with “AAA” grade credit rating. It has various Class A grade qualifications to provide engineering consulting and design services.

In the different energy development projects in South-east Asia, CHD will act as ISDN's technology and project development partner with the possibility of an added role as investment partner. The partnership will involve such areas as project feasibility analysis and initial technical advisory, project engineering, procurement and construction, management and operation of projects after commission and may also involve financing or joint investment in selected projects. The enormous market potential of the Asia energy sector would mean that the collaborative efforts between ISDN and China Huadian are likely to extend beyond Indonesia and to include a wider geography encompassing emerging economies such as Myanmar, Cambodia and Laos.

Earlier this week, ISDN announced it has entered into a Memorandum of Understanding with Tun Thwin Mining Co., Ltd (“TTMCL”), a Myanmar-based company engaged in the business of coal mining, processing and supply to explore joint partnerships in energy opportunities in the Republic of the Union of Myanmar that include the joint ownership, development and management of a coal-fired power plant. China Huadian will be involved as a working partner to explore the viability of these coal energy-related ventures.

According to MarketLine, a global publisher of company, industry and country information servicing clients across a wide variety of industries, the Asia-Pacific power generation industry is expected to generate \$713.9 billion revenue in 2012, representing a compound annual growth rate (CAGR) of 6.7% between 2008 and 2012 and industry production volumes increased with a CAGR of 5.6% between 2008-2012.

Mr Teo concluded, “We began our steep learning curve in the energy sector five years ago. As we welcome our first major project in hydropower, and with the participation of our esteemed partner, China Huadian, the critical elements of our energy business are finally coming together and I am fairly confident that it has the necessary wherewithal to develop into a credible growth driver for the Group and enhance shareholder returns.”

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About ISDN Holdings Limited

Founded on its precision and motion control engineering capabilities in 1987 and listed on the Singapore Exchange Main Board since 2005, ISDN Holdings Limited has today transformed into a multi-industry corporation with diverse strengths. With more than 90 offices spanning key Asian growth markets, ISDN's business interests now include, in addition to engineering, the energy and agriculture sectors

ISDN is dominant in the niche area of motion control and industrial computing, attending to the needs of customers in the Asian region. ISDN's customised solutions cater to different industrial sectors including medical, robotics, factory automation, oil and gas, water treatment, manufacturing, hard disk and semiconductor industries. By leveraging on its alliances with strategic partners in Europe, Asia and Australia, ISDN is able to combine and thereupon benefit from the best-in-class technology and business systems these collaborations have to offer.

For more information, please visit www.isdnholdings.com or contact:

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