

May 27, 2009

Dear Shareholder,

I was appointed as a Director, President and Secretary of Secured Digital Applications Inc. ("SDGL") on May 22, 2009. I have assumed the responsibility of handling shareholder communication to allow our Chairman and CEO, Patrick Lim, to focus on getting the Company reinstated to the Bulletin Board and growing the Company's business in Australia and China.

I would like to take this opportunity to provide you with an update on the latest developments in the Company.

Current Status of SDGL's Operation

As global markets continue to sink deeper into abyss, SDGL continues to grow with the strong support of its customers in Asia. Our divestment of DigitalApps Malaysia to Active Valor International Limited ("AVI") in February 2009 has provided us the capital we needed to expand our operations in Australia and China.

Pursuant to the Agreement executed between SDGL and AVI, the Company will receive a guaranteed income totaling \$3.9 million that will be progressively paid to SDGL between 2009 and 2011. I am pleased to inform that the Company received its first annual payment of \$1.2 million from AVI in April 2009.

The groundwork laid in China by our management team during the past two years has positioned the Company to benefit from China's deployment of its 3G network targeted for completion by the end of 2009. SDGL is currently working with several parties to further expand its multimedia content production and mobile advertising services in China.

In accordance with the terms of the Subscription Agreement executed between SDGL and V-Mobile Communications Pty Ltd, Australia ("VMC"), the Company made full cash payment to VMC for the purchase of the 3.3 million Series A Convertible Preference Shares at AUD0.60 per share or approximately USD0.42 per share. VMC is currently

working with Australian multimedia content service providers to produce mobile advertising contents for clients from China.

SDGL's consolidated revenue for the year ended December 31, 2008 was \$59.4 million, an increase of 24% over 2007. A lower revenue is forecasted for 2009 following the Company's divestment of DigitalApps Malaysia. The lower revenue will, however, be compensated by an improved operating margin estimated in the range of 16.7 - 17.5% compared with 2.6 - 3.5% during 2008. This will result in a higher EBIT in the range of 2.0 - 2.6 million for 2009.

Relegation to Pink OTC Market

Many of our stockholders have expressed their concern when the Company was relegated to the Pink OTC Market on May 20, 2009. The Company would like to assure its stockholders that the relegation has not impinged on the Company's current business.

The Company was relegated to the Pink OTC Market due to its failure to file the 2008 Annual Report on Form 10-K within the prescribed due date. We could not proceed to file our 10-K report in the absence of an audit opinion for the 2007 financial statements from our former independent accountant although the audit of our financials for year ended 12/31/08 was completed by our current independent accountant, Cordovano & Honeck.

The Company terminated the services of its former independent accountant in December 2008. In compliance with SEC rules, SDGL must obtain and file an audit opinion from the former independent accountant along with its 2008 annual report. The opinion of the former independent accountant was not sought by the Company as there were disagreements on their billings and their misbehavior during their visit to the Company's home office in Malaysia in 2007.

The Company has a strict code of conduct that must be complied by all consultants and contractors. Attempting to date the Company's staff during office hours and emailing personal messages and their photo to our staff that has nothing to do with their scope of work as the Company's independent accountant is totally unacceptable.

Efforts to Return to OTCBB

The re-audit of our 2007 financial statements has taken longer than anticipated and we hope to regularize our filings before the end of 2009. Once the re-audit is completed, we will file an application for reinstatement to the Bulletin Board.

Past and present Directors and Officers of SDGL have worked long and arduous hours for the past 10 years with nominal salaries or benefits because of their strong belief in the future of the Company. The Company has operated with extreme frugality in many areas to save on operating costs to finance and grow its operations.

The Company has always emerged stronger from past adversities that included the termination of the services of its independent accountant, a member of the Big 5, during 2000 and the debacle with Laurus Master Fund in 2004. Our termination of the independent accountant was validated by their dissolution for their role in the Enron incident while Laurus was forced into liquidation in 2008.

SDGL's Directors and Officers value their ethics and integrity and it is these values that have contributed to the growth of the Company with less than \$1.0 million revenue in 1999 to more than \$59 million in 2008. I wish to assure our stockholders that the Company will emerge stronger after we have resolved the current problems relating to our filing compliance.

Sincerely,

Kamaruddin Bujang
President & Director

