UNITED FIBER SYSTEM LIMITED

Company Registration Number: 199508589E
(Incorporated in the Republic of Singapore)

ADDITIONAL INFORMATION ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 ("FY2014 ANNUAL REPORT")

In response to the queries raised by the Singapore Exchange Limited ("SGX-ST") via email dated 15 April 2015 in connection with the Company's FY2014 Annual Report as follows:-

Query 1 : Paragraph 2.4 of the Code of Corporate Governance 2012 (the "Code") states that the independence of any director who has served on the Board beyond nine years from the date of his first appointment should be subject to particularly rigorous review. In doing so, the Board should also take into account the need for progressive refreshing of the Board. The Board should also explain why any such director should be considered independent.

It was disclosed that Mr Ang Mong Seng has served as an Independent Director of the Company for more than nine years and that the Board determined that despite his tenure of over 9 years on the Board, he continues to demonstrate the essential characteristics of independence expected by the Board. Please elaborate on the rigorous review and the factors taken into account by the Nominating Committee in relation to their assessment that Mr Ang Mong Seng is independent.

Response 1: The Nominating Committee ("**NC**") noted that Mr Ang Mong Seng has served on the Board of United Fiber System Limited (the "Company") for more than nine (9) years.

The NC (excluding Mr Ang Mong Seng in respect of the deliberation of this matter) has conducted a review of Mr Ang's contributions to the Board to determine if he has maintained his independence. The NC reviewed Mr Ang's contribution in terms of professionalism, attendance, integrity, objectivity and ability to exercise independence of judgement in his deliberation in the interest of the Company.

The NC considered that there has been a change in the senior management in 2009 and 2011 and the judicial management order of 5 April 2013 when Poh Lian Construction (Pte.) Ltd was placed in judicial management. The NC further considered that there is a change in substantial shareholders on 22 September 2010 and subsequently a change in chairmanship of the Company on 16 June 2011. The period from the change in senior management, substantial shareholders, chairmanship and the judicial management was less than nine (9) years.

The NC also noted that Mr Ang has no relationship with the Company, its related corporations, its substantial shareholders, the Chairman and the Acting CEO of the Company. Mr Ang does not have any direct or deemed interest in the equity of the Company, and has not receive shares or other securities in the Company by way of a gift or financial assistance from the Company or its substantial shareholders for the purchase of securities in the Company. The Company does not have any share base reward scheme in place. Mr Ang is also not financially dependent on UFS or its associates.

Furthermore, the NC noted that Mr Ang will immediately resign from the Company upon the completion of the Proposed DSS Acquisition.

BY ORDER OF THE BOARD

PAULINE LEE
Acting CEO

18 April 2015