ISR CAPITAL LIMITED
(Company Registration No. 200104762G)
(Incorporated in the Republic of Singapore)
(the "Company")

ISSUE OF 2.0% CONVERTIBLE REDEEMABLE BONDS DUE 2018 WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S$35,000,000
- ISSUE OF 25,000,000 CONVERSION SHARES

Unless otherwise defined all capitalised terms shall have the definitions given in ISR Capital Limited's announcement dated 18 November 2014 and the Company's Circular to Shareholders dated 24 August 2015.

The board of directors (the "**Board**") of ISR Capital Limited (the "**Company**") would like to announce that following the subscription of the fifth sub-tranche of Tranche 2 Bonds which amounted to S$1,000,000 by the Subscriber on 30 January 2018, the Subscriber has on 31 January 2018 exercised its rights to convert two (2) Bonds (Certificate No. 186 to 187) in respect of the fifth sub-tranche of Tranche 2 Bonds. The converted Bonds, with an aggregate principal value of S$100,000 will be converted into 25,000,000 Conversion Shares at the Lowest Floating Conversion Price of S$0.0040 for each Conversion Share on 31 January 2018. An aggregate amount of S$350,000 of the fifth sub-tranche of the Tranche 2 Bonds has been converted as of 31 January 2018.

The Lowest Floating Conversion Price of S$0.0040 was determined by taking 85% of the average of the traded volume weighted average prices per share ("**VWAP**") for any three (3) consecutive Trading Days as selected by the Subscriber during the 30 Trading Days immediately preceding the Closing Date of the first sub-tranche of Tranche 1 Bonds, which fell on 17 September 2015. The three (3) consecutive VWAP selected are as follows:

	Date	VWAP
X	7 September 2015	S$0.0050
Y	8 September 2015	S$0.0047
Z	9 September 2015	S$0.0045

Lowest Floating Conversion Price = $\frac{(X+Y+Z)}{3}$ x 0.85 = **S$0.0040**

Accordingly, the Company has issued and allotted 25,000,000 Conversion Shares to the Subscriber on 31 January 2018 and the total number of issued and paid-up shares of the Company has increased from 2,639,249,336 shares to 2,664,249,336 shares.

By Order of the Board
ISR Capital Limited

Chen Tong
Executive Chairman
31 January 2018