ISR CAPITAL LIMITED

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

ANNOUNCEMENT OF LITIGATION

The Board of Directors (the "**Board**") of ISR Capital Limited (the "**Company**") wishes to announce that on 7 June 2017, its wholly-owned subsidiary Dynamic Return (Singapore) Pte. Ltd. ("**Dynamic Return**") filed Suit No. 513 of 2017 (the "Suit") in the Singapore High Court against PT Permata Selaras Mandiri ("**PT Permata**") (as borrower) and Mr Harun Abidin (as guarantor) in respect of outstanding loans and interest amounting to approximately S\$4.24 million, due and owing under a debt facility extended by Dynamic Return to PT Permata.

The Company will release further announcements to update its shareholders as and when there are material developments in the Suit.

BY ORDER OF THE BOARD

Chen Tong Executive Chairman 8 June 2017