ZAGRO ASIA LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 199406784D

The following are the questions from SGX and our responses thereto on our Annual Report 2014:-

1) As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.2 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations. We note that the Company had not provided the reason for not disclosing details of directors' remuneration in nearest thousand dollars. Please explain the deviation from the recommendation.

   Response:

   For competitive reasons, the Board has decided not to disclose the details of the directors' remuneration in nearest thousand dollars.

2) Please make disclosures as recommended in paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations. We note that the Company had not provided the reason for not providing a breakdown (in percentage or dollar terms) of each key management personnel or disclosing the aggregate remuneration paid to the top five key management. Please explain the deviation from the recommendation. The reason given at Page 13 of Annual Report as " For competitive reasons, the Board has, on review, decided not to disclose the names of the Group's five key executives." does not specifically address the non-disclosure of breakdown (in percentage or dollar terms) of each key management personnel or the aggregate remuneration.

   Response:

   For competitive reasons, the Board has, on review, decided not to disclose the names of the Group's five key executives and the breakdown of each key management personnel's remuneration. The aggregate remuneration paid to the top five key management is disclosed on page 62 Note 26.

3) Please make disclosures as recommended in paragraph 9.4 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations. We note that the Company had not provided the reason for not disclosing the remuneration of employees who are immediate family members of a director or the CEO and whose remuneration exceeds S$50,000 during the year and disclosed the remuneration in incremental bands of S$50,000 with an upper limit. Please explain the deviation from the recommendation.

   Response:

   The Board has, on review, decided not to disclose the details of the remuneration of employees who are immediate family members of a director or the CEO and whose remuneration exceeds S$50,000 during the year due to competitive reason.

4) As required by Rule 1207(19) (b) of the Listing Manual, please state whether and how the issuer has complied with the following best practices on dealing in securities:
   1207(19)(b) An officer should not deal in his Issuer's securities on short-term considerations.

   Response:

   We shall include in our next internal memorandum which is issued every half year to directors and officers of the Group, that officers are discouraged from short-term speculative trading in the Company's securities.

By Order of the Board

Poh Beng Swee
Chairman

Date: 29 April 2015