Pharmesis International Ltd.
5 Kallang Sector
#03-02
Singapore 349279
Company registration no.: 200309641E

RESPONSE TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") QUERIES ON THE ANNUAL REPORT 2015

The Board of Directors of Pharmesis International Ltd. (the "Company") wishes to respond to queries raised by the SGX-ST on 22 April 2016 in relation to the Company's Annual Report 2015:

SGX-ST's Query 1

Paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). We note on page 23 that the Company has only 1 key management personnel (who is not a Director or CEO of the Company) and the Company did not disclose in aggregate the total remuneration paid to the key management personnel. As required by Rule 1207(12) of the Listing Manual, please make disclosure 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.

The Company's Response

The Company is mindful of Rule 9.3 of the Code. On page 23 of the Company's Annual Report, the Company stated that it has only one (1) key management personnel and has disclosed that the remuneration band of the key personnel is below S$250,000. The Company has not disclosed in aggregate the total remuneration paid to the key management personnel due to the confidentiality and commercial sensitivity attached to the remuneration matters.

SGX-ST's Query 2

Please reconcile the figures disclosed on page 26 on "Interested Person Transactions" and page 72 on "Related Party Disclosures".

The Company's Response

The disclosures on Related Party transactions as disclosed on page 72 of the Company's Annual Report are as follows:

- Rendering of services RMB452,000 (Under IPT Mandate, but not disclosed on page 26 on "Interested Person Transactions" ("IPT") as the value is below S$100,000 in equivalent, based on the Company's average rate of RMB4.57:S$1 for FY2015);
- Relocation compensation RMB1,990,000 (One time off compensation. Not under IPT Mandate);
- Purchase of raw materials (Under IPT Mandate, and disclosed on page 26 on "Interested Person Transactions"); and
- Rental expense (Not under IPT Mandate).

BY ORDER OF THE BOARD

Jiang Yun
Executive Chairman
25 April 2016