ISR CAPITAL LIMITED

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

RESPONSE TO QUERY RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LTD ON THE COMPANY'S ANNUAL REPORT 2014

The Board of Directors (the "**Board**") of ISR Capital Limited (the "**Company**") wishes to provide the following additional information in response to the query raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") in their email dated 17 April 2015 in relation to the Company's Annual Report 2014:

Query:

It was mentioned that "The Company had on 18 November 2014 entered into a subscription agreement with Premier Equity Fund (the "Subscriber") and Value Capital Asset Management Private Limited… The Proposed Issue of Convertible Redeemable Bonds is currently pending SGX's review and clearance and approval from shareholders at an Extraordinary General Meeting".

The Company had not submitted the Additional Listing Application on 18 November 2014 and the Proposed Issue is not pending the Exchange's review and clearance. It is pending the Company's responses to the Exchange's questions raised on the application. Please clarify on the above.

Company's response:

The Board refers to the first paragraph on page 29 of the Company's Annual Report 2014, which refers to the proposed issue of convertible redeemable bonds (the "**Proposed Bond Issue**").

The Company would like to clarify to shareholders that following its entry into the subscription agreement (the "**Subscription Agreement**") with Premier Equity Fund (the "**Subscriber**") and Value Capital Asset Management Private Limited ("**VCAM**") in relation to the Proposed Bond Issue, the Company subsequently entered a supplemental agreement (the "**Supplemental Agreement**") with the Subscriber and VCAM to provide for a floor conversion price for the bonds.

Following the execution of the Supplemental Agreement, the Company applied to the SGX-ST for approval in principle for the listing and quotation of the new shares arising from the Proposed Bond Issue. The review process is currently underway, and the Company has been actively engaging the SGX-ST on the application.

Once the necessary approvals are received, the Company will update shareholders and convene an extraordinary general meeting to seek shareholders' approval for the Proposed Bond Issue.

BY ORDER OF THE BOARD

Quah Su-Yin
Chief Executive Officer and Executive Director
17 April 2015