AMARA HOLDINGS LIMITED
Co. Regn. No. 197000732N

RESPONSE TO QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE COMPANY'S ANNUAL REPORT 2017

The Board of Directors (the "Board") of Amara Holdings Limited (the "Company") refers to the query raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 3 May 2018 in respect of the Company's Annual Report for the financial year ended 31 December 2017. The Board sets out its response as follows:

SGX-ST's Query:

Paragraph 9.4 of the Code of Corporate Governance 2012 (the "Code") states that for transparency, the annual remuneration report should 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. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S$50,000. The company need only show the applicable bands.

Please provide the upper limit for the remuneration bands of the three employees who are immediate family members of Mr Albert Teo Hock Chuan or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Company's Response:

The three employees who are immediate family members of Mr Albert Teo Hock Chuan, Director and CEO, are his brother, sister and daughter.

The remuneration committee has oversight on the remuneration of these family members to ensure independence in remuneration of immediate family members of the directors and CEO. To indicate remuneration bands (including the upper limits) for each of them would give rise to visibility of their remuneration vis-à-vis their fellow colleagues who are not employees related to the directors and CEO, and they would be unfairly disadvantaged while confidentiality of other employees' remuneration is maintained.

The Company believes that it is not in the best interests of the Group to disclose the details as required under Paragraph 9.4 of the Code because of the highly competitive industry conditions and also because it wishes to maintain confidentiality for more harmonious and effective human resource management within the Group.

By Order of the Board

Susan Teo Geok Tin / Foo Soon Soo
Company Secretaries

4 May 2018