

CHINA GAOXIAN FIBRE FABRIC HOLDINGS LTD.

(中国高纤控股有限公司)

("Company")

(Company Registration No. 200817812K)

(Incorporated in Singapore on 9 September 2008)

FURTHER INFORMATION ON THE COMPANY'S ANNOUNCEMENT DATED 6 JANUARY 2016

The Board of Directors ("**Board**") of China Gaoxian Fibre Fabric Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 6 January 2016 and wishes to provide further information as follows:-

SGX-ST's question:-

In the Company's announcement on 6 January 2016, the Company disclosed that the Group is "in preliminary discussions with potential party(ies) with respect to a proposed major corporate action of the Group."

Please elaborate to clarify the type of corporate action referred to and indicate the size of the transaction. We wish to draw your attention to paragraph 25 of Appendix 7.1 of the Listing Manual which inter alia requires the announcement to be factual, clear and succinct and contain sufficient quantitative information to allow investors to evaluate its relative importance to the activities of the issuer. Please comply accordingly.

Company's response:-

The Group is in preliminary discussions with a potential third party to explore the possibility of acquiring certain assets of the Group. However, no definite terms relating to exact nature of the assets or pricing etc have been finalised. The Company will make further announcement(s) if any such definite terms are agreed.

BY ORDER OF THE BOARD

Tham Wan Loong, Jerome
Executive Director
7 January 2016