

**COMPLETION OF THE ALLOTMENT AND ISSUE OF 71,000,000 NEW ORDINARY SHARES
IN THE CAPITAL OF THE COMPANY
TO CERTAIN EXECUTIVE DIRECTORS AND FINANCIAL CONTROLLER**

The Board of Directors of China Sky Chemical Fibre Co., Ltd (the “**Company**”) wishes to announce that the Company has today completed the allotment and issue of an aggregate of 71,000,000 new shares in the capital of the Company (collectively, “**New Shares**”) at par value of HKD0.50 for each New Share to the following parties:

- (a) Mr. Ling Yew Kong, Chief Executive Officer and Executive Director of the Company, and Mr. Song Jiansheng, an Executive Director of the Company; and
- (b) Mr. Zhang Shun Da, the Financial Controller of the Company (collectively with Mr. Ling Yew Kong and Mr. Song Jiansheng, the “**Relevant Executives**”),

having obtained the approval of the shareholders of the Company at the extraordinary general meeting for the aforementioned proposed share issuance to each of the Relevant Executives held today.

The New Shares shall rank *pari passu* in all respects of the existing ordinary shares in the capital of the Company, including rights to any dividend, right, allotment or other distributions, the record date for which falls on or after the date of issuance. Following the allotment and issue of the New Shares to the Relevant Executives, the total number of issued shares in the capital of the Company (including treasury shares) will be 885,576,470 shares and the shareholding percentage of the Relevant Executives based on the foregoing enlarged share capital of the Company will be approximately 8.17%.

Please note that SGX-ST’s approval-in-principle for the listing of and quotation for the New Shares is not to be taken as an indication of the merits of the share issuance to the Relevant Executives by the Company, the New Shares, the Company and/or its subsidiaries.

By Order of the Board

Song Jiansheng
Executive Director

27 June 2016