

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)

NOTIFICATION OF INCLUSION ON THE WATCH-LIST DUE TO THE FINANCIAL ENTRY CRITERIA WITH EFFECT FROM 3 MARCH 2016

The Board of Directors (the "**Board**") of China Gaoxian Fibre Fabric Holdings Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has today notified the Company that pursuant to Rule 1311(1), it will be placed on the watch-list with effect from 3 March 2016.

The Company must take active steps to restore its financial health and meet the requirements of Listing Rule 1314(1) within 36 months from 3 March 2016, failing which the SGX-ST would delist the Company or suspend trading in the Company's shares with a view to delisting the Company. Listing Rule 1314(1) states that an issuer may apply for its removal from the watch-list if it records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts) and has an average daily market capitalisation of S\$40 million or more over the last 6 months.

The Company would like to notify all its shareholders and business partners that the Group's business shall continue as usual.

BY ORDER OF THE BOARD

Tham Wan Loong, Jerome
Executive Director
2 March 2016