



China Sky Chemical Fibre Co., Ltd.

(Registration No: CT-146759)

MONTHLY UPDATE

The Board wishes to inform the shareholders the following:-

1. Shares Surrender

As announced on 4 March 2015, Rock Mart Equities Ltd (“Rock Mart”) and Mr Huang Zhong Xuan (“Mr Huang”), whom are the shareholders of the Company, offered to surrender 15,416,121 shares in total. The Board had approved the shares surrender and the conversion of the surrendered shares into treasury shares has been completed. Upon completion of shares surrender, the latest total number of ordinary shares (excluding treasury shares) of the Company is 799,160,349, instead of 814,576,470 shares. Please refer to the announcement dated 23 March 2015 for further details.

2. Application for Further Extension of Time

On 25 February 2015, an audit Committee meeting was held by the Company. During the AC meeting, a number of queries were being raised by the AC in respect of the following matters:

- (a) Cash and Bank Balances;
- (b) Sales and Purchases Invoices;
- (c) Account Receivables and Payable;
- (d) Advances to Suppliers; and
- (e) The Status of Qingdao land.

The AC has proposed to the management to carry out follow-up procedure for the abovementioned matters. In anticipation of delays in releasing the unaudited financial results for the period ended 31 December 2014 (“FY2014 Results”), the Company applied to the Exchange for an extension of time under Rule 107 of the Listing Manual on 27 February 2015. On 5 March 2015, the Exchange granted no objection to the Company’s application for extension of time till 31 March 2015 to comply with Rule 705(1) of the Listing Manual to release its FY2014 Results and an extension of time till 31 May 2015 to comply with Rule 707(1) to hold its annual general meeting for FY2014 (“AGM FY2014”), subject to certain conditions to be fulfilled by the Company. Please refer to the announcement dated 6 March 2015 for further details.

On 30 March 2015, the Company applied for further extension of time, in which the details of the reasons for further extension are stated in the announcement of even date.

3. Qingdao Land Status

On the status of the Qingdao land, the management is still in the midst of negotiation with the government official.

The Company will make the necessary announcements as and when there are material developments on the above matters.

By Order of the Board

Song Jiansheng
Executive Director
31 March 2015