



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of CHINA GAOXIAN FIBRE FABRIC HOLDINGS LTD. (the "**Company**") will be held at Guild Room, The National University of Singapore Society (NUSS), Suntec City Guild House, 5 Temasek Boulevard, #02-401/402, Suntec Tower 5, Singapore 038983 on Thursday, 30 April 2015 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2014 together with the Auditors' Report thereon. **(Resolution 1)**
- To re-elect the following directors of the Company ("**Directors**") retiring pursuant to Articles 114 and 118 of the Articles of Association of the Company:

Mr Tham Wan Loong, Jerome	(Retiring under Article 114)	(Resolution 2)
Mr Kwak Kyung Jik	(Retiring under Article 114)	(Resolution 3)
Mr Roberto Fabbri	(Retiring under Article 118)	(Resolution 4)
Mr Liu De Huang	(Retiring under Article 118)	(Resolution 5)
Mr Lin Xingdi	(Retiring under Article 118)	(Resolution 6)

Mr Tham Wan Loong, Jerome will, upon re-election as a Director, remain as a member of the Audit Committee, Nominating Committee and Remuneration Committee. He will be considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Mr Kwak Kyung Jik will, upon re-election as a Director, remain as Chairman of the Remuneration Committee and a member of the Audit Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Mr Roberto Fabbri will, upon re-election as a Director, remain as Chairman of the Nominating Committee and a member of the Remuneration Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- To approve the payment of Directors' fees of S\$205,000 for the financial year ending 31 December 2015, to be paid quarterly in arrears. (FY2014: S\$205,000) **(Resolution 7)**
- To re-appoint Foo Kon Tan LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 8)**
- To transact any other ordinary business which may be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

6. Ordinary Resolution – Authority to issue shares by way of rights, bonus or otherwise

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors be authorised and empowered to:

- issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise in proportion, as nearly as the circumstances admit, to the amount of the existing Shares to which such members of the Company are entitled or hold at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments (as defined in Resolution 10 hereinafter) made or granted by the Directors while this Resolution was in force,

provided that:

- the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to Resolution 10) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - new Shares arising from the conversion or exercise of any convertible securities;
 - new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - any subsequent bonus issue, consolidation or subdivision of Shares;
- in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Articles of Association of the Company; and
- unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. **(Resolution 9)**
(See Explanatory Note (i))

To consider and if thought fit, to pass the following resolution as a Special Resolution, with or without any modifications:

7. Special Resolution – Authority to issue shares by way of making or granting offers, agreements or options

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors be authorised and empowered to:

- make or grant offers, agreements or options (collectively, "**Instruments**") to a person other than a member of the Company and/or to a member of the Company other than in accordance with Resolution 9 that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, provided that in such case it shall be limited to the case necessary for the achievement of the Company's operational objectives, such as introduction of new technology, improvement of financial structures, etc.), at any time and upon such terms and conditions as the Directors may in their absolute discretion deem fit; and
- (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided that:

- the aggregate number of Shares (including Shares to be issued pursuant to Resolution 9) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - new Shares arising from the conversion or exercise of any convertible securities;
 - new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - any subsequent bonus issue, consolidation or subdivision of Shares;
- in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Articles of Association of the Company; and
- unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. **(Resolution 10)**
(See Explanatory Note (ii))

By Order of the Board

Toh Li Ping, Angela
Company Secretary

Singapore, 8 April 2015

Explanatory Notes on Special Business to be transacted:

- (i) The Ordinary Resolution 9 in item 6 above, if passed, will empower the Directors, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares and to issue Shares pursuant to Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution 9 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 9 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

- (ii) The Special Resolution 10 in item 7 above, if passed, will empower the Directors, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Special Resolution 10 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Special Resolution 10 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes –

- A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 not less than forty-eight (48) hours before the time appointed for holding the AGM.
- Holders of the Korean Depository Receipts ("KDRs") in the Company may, by giving notice to the Korean Securities Depository ("KSD") no later than 5 Korean business days prior to the date to the Annual General Meeting and in accordance with the terms set out in the form entitled "Application of Voting Rights" to be sent by KSD to the KDR holders, exercise through KSD or its designated custodian(s) the voting rights attached to the Shares deposited with KSD and represented by the KDRs.
- Members who wish to attend the AGM are strongly advised to adhere to the smart casual dress code of Suntec City Guild House as follows:-

Ladies

Dress, blouse, skirt, pants or collared t-shirt with proper covered shoes or sandals.

Gentlemen

Shirt or t-shirt with collar, or Mandarin collar with sleeves, including sweaters, proper trousers with covered shoes.

Please note that slippers and flip-flops are strictly not allowed to be worn in Suntec City Guild House.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.