

CELEBRITY FASHIONS LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

A. INTRODUCTION

A Code of Conduct applicable to members of the Board and Senior Management Personnel of Celebrity Fashions Limited is prepared in accordance with the requirements of Clause 49 of Listing Agreement applicable with effect from 1st January 2006.

B. DEFINITIONS

- (a) **“Board”** means Board of Directors of the Company.
- (b) **“Board Member”** means every director of the Company as may be appointed from time to time.
- (c) **“Code of Conduct”** means this Code of Conduct for members of the Board and Senior Management Personnel including modifications made thereto from time to time.
- (d) **“Company”** means Celebrity Fashions Limited.
- (e) **“Senior Management Personnel”** means personnel of the Company who are members of its core management team excluding Board of Directors and will comprise all members of management one level below the executive directors, including all functional heads.

The Code of Conduct for Board Members and Senior Management Personnel of the Company includes:

- ❖ PRUDENT CONDUCT AND BEHAVIOR
- ❖ BUSINESS OPPORTUNITIES
- ❖ CONFLICT OF INTEREST
- ❖ COMPANY PROPERTY
- ❖ CONFIDENTIAL INFORMATION
- ❖ FAIR DEALING
- ❖ COMPLIANCE WITH LAWS AND REGULATIONS
- ❖ INSIDER TRADING
- ❖ ENCOURAGING THE REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

C. NON COMPLIANCE OF THE CODE

D. DISCLOSURE

PRUDENT CONDUCT AND BEHAVIOR

Each Board Member and Senior Management Personnel should seek to use due care in the performance of his/her duties, be loyal to the Company, act in good faith and in a manner such Board Member or Senior Management Personnel reasonably believe to be not opposed to the best interests of the Company. A Board Member should seek to also:-

- i. Make reasonable efforts to attend Board and committee meetings;
- ii. dedicate adequate time and attention to the Company; and
- iii. seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company.
- iv. act in the best interest of, and fulfill their fiduciary obligations to, company's share holders.
- v. use due care and diligence in performing their duties of office and in exercising their powers attached to that office.

BUSINESS OPPORTUNITIES

In carrying out their duties and responsibilities, Board Member and Senior Management Personnel should avoid:

- (a) appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Board Member;
- (b) using Company property or information, or their position as Board Member or Senior Management Personnel, for personal gain; and
- (c) competing with the Company.

A corporate business opportunity is an opportunity (1) which is in the Company's line of business or proposed expansion or diversification, (2) which the Company is financially able to undertake and (3) which may be of interest to the Company. A Board Member or Senior Management Personnel who learn of such a corporate business opportunity and who wish to avail of, it should disclose such opportunity to the Company's Board of Directors. If the Board of Directors determines that the Company does not have an actual or expected interest in such opportunity, then, and only then, may the Board Member or Senior Management Personnel avail of it, provided that the Board Member or Management Personnel have not wrongfully utilized the Company's resources in order to acquire such opportunity.

CONFLICT OF INTEREST

Each Board Member or Senior Management Personnel should endeavor to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Board Members and Senior Management Personnel should avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees of obligations by the Company. A Board Member should make a full disclosure to the entire Board of any transaction or relationship that such a Board Member reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions or relationships.

COMPANY PROPERTY

In carrying out their duties and responsibilities, Board Member and/or Senior Management Personnel should endeavor to ensure that management is causing the Company's assets, proprietary information and resources to be used by the Company and its employees only for legitimate business purposes of the Company.

CONFIDENTIAL INFORMATION

Board Member and/or Senior Management Personnel should maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain.

The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of any Board Member and/or Senior Management Personnel other than the Company. These obligations apply not only during a Board Member's term, but thereafter as well.

FAIR DEALING

In carrying out their duties and responsibilities, Board Member and Senior Management Personnel should endeavor to deal fairly, and should promote fair dealing by the Company, its employees and agents, with customers, suppliers and employees.

Board Member and Senior Management Personnel should not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing.

COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out their duties and responsibilities, Board Member and Senior Management Personnel should comply, and endeavor to ensure that the management is causing the Company to comply, with applicable laws, rules and regulations. In addition, if any Board Member and/or Senior Management Personnel becomes aware of any information that he or she believes constitutes evidence of a material violation of any securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company, any employee or another Board Member, then such Board Member and/or Senior Management Personnel should bring such information to the attention of Managing Director of the Company.

INSIDER TRADING

The company has adopted a Code of Conduct for Prevention of Insider Trading which all Board Member and Senior Management Personnel should observe with respect to the purchase and sale of the Company's securities.

Board Member and Senior Management Personnel should direct questions regarding the application or interpretation of these guidelines to the Compliance Officer.

ENCOURAGING THE REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

Board Member and Senior Management Personnel should endeavor to ensure that management is causing the Company to promote ethical behavior and to encourage employees to report evidence of illegal or unethical behavior to the Managing Director of the Company. Board Member and Senior Management Personnel should endeavor to ensure that the Company will not allow retaliation against any employee who makes a good faith report about a possible violation of the Company's Code of Conduct for Members of the Board and Senior Management Personnel.

C. NON COMPLIANCE OF THE CODE

Suspected violations of this Code may be reported to Managing Director of the Company. All reported violations should be appropriately investigated.

A Board member or Senior Management Personnel charged with a violation of this Code should not participate in a vote of a Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or of a Committee convened for that purpose.

Any waiver of this Code must be approved by Managing Director of the Company and publicly disclosed if required by any applicable law or regulation.

D. DISCLOSURE

This Code of Conducts for Board Member and Senior Management Personnel sets forth guidelines for conduct for the Board Members and Senior Management Personnel.

The Board Member and the Senior Management Personnel shall affirm the compliance with the Code on annual basis. Board Member and Senior Management Personnel will annually sign a confirmation that they have read and complied with this Code. The Annual Report of the Company shall carry a declaration to this effect signed by the Managing Director of the Company.