



AFC GROUP HOLDINGS LIMITED

(Listed on the NZAX: AFC)

1/245 Ti Rakau Drive

Burswood

Auckland

Ph: +64 (09) 930-0245

AFC Group Holdings Limited (AFC) Auditor Resignation

After further discussions relating to the 2017 audit of AFC Group Holdings Limited and its subsidiaries (the 'Group'), the board of directors notified Staples Rodway on 15 August 2017 that Staples Rodway would not be reappointed as the Group's auditor for the 2017-2018 financial year.

Accordingly Staples Rodway has written to AFC on 16 August 2017 advising that they are resigning as auditors of the Group effective immediately 'due to the matters resulting in us having to issue a disclaimer of opinion for the year ended 31 March 2017, changing audit requirements and the heightened risk associated with the Group which is outside our risk acceptance policies'.

The board of directors strongly disagrees with the reasons for Staples Rodway issuing a disclaimer.

AFC is in discussion with other auditors and will appoint a replacement auditor as soon as possible.

On behalf of the Board of Directors

Hao Long

Director

08 August 2017

For Further Information

Please contact Mr Howard Long

howard.long@afcnz.com

+64- 21- 244-8000