

**ASIA FASHION HOLDINGS LIMITED**  
(Company Registration No. 41195)  
(Incorporated in Bermuda)

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**TRADING SUSPENSION**

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The Board of Directors (the “**Board**”) of Asia Fashion Holdings Limited (the “**Company**”, and, together with its subsidiaries, collectively the “**Group**”) refers to its announcement on 29 June 2018 and 13 June 2018 (the “**Announcements**”) in relation to the appointment of Ernst & Young Advisory Pte. Ltd. (“**EY**”) to conduct an independent review (the “**Independent Review**”): (a) into certain matters and/or transactions involving Shanghai Daiyoulong New Materials Limited and Rich Circles Enterprise Limited and its subsidiaries; and (b) to consider and identify any potentially questionable bank transactions for the period of 1 July 2013 to 9 May 2018.

The Group is currently experiencing difficulties in gaining access to new sources of liquidity in order to satisfy its payment obligations to, *inter alia*, EY in connection with the Independent Review, and is currently negotiating with its substantial shareholder with an aim to obtaining financial support to address any going concern issues and to satisfy the payment obligations in respect of the Independent Review.

The outcome of the Company’s negotiations with its substantial shareholder is not yet known and, as at the date of this announcement, there is no guarantee that a favourable outcome will be achieved in respect of the above.

As a result, the Board is of the view that the Company is not in a position to assess reasonably its financial position and could have a potential going concern issue until further sources of liquidity are raised.

In light of the foregoing and pursuant to Rule 1303 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board has recommended that it is in the best interests of the Company that the trading of the shares of the Company be suspended with immediate effect. The Board will continuously reassess the Company’s ability to continue as a going concern as new information becomes available and will keep shareholders updated as and when there are material updates in relation to the above.

By Order of the Board

Han Yue Gao  
Executive Director  
24 August 2018