

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)
(Incorporated in Bermuda)

NOTICE OF SPECIAL GENERAL MEETING

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 10 May 2017 issued by Asia Fashion Holdings Limited (the "Circular").

NOTICE IS HEREBY GIVEN that a special general meeting ("SGM") of Asia Fashion Holdings Limited (the "Company") will be held at Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on 26 May 2017 at 10.30 am (Singapore time) for the purpose of considering and, if thought fit, passing with or without any amendments, the following resolutions as ordinary resolutions:

AS ORDINARY RESOLUTION 1 – APPROVAL OF THE PROPOSED CB ISSUANCE

THAT:

- (a) pursuant to Rule 805(1) of the Listing Manual and Bye-law 12 of the Bye-laws, approval be and is hereby given for the Proposed CB Issuance, particulars of which are set out in the Circular;
- (b) the terms of, the Company's entry into and performance of, and the execution and delivery by a Director for and on behalf of the Company of, the Convertible Bond Agreement be and is hereby ratified, confirmed and approved;
- (c) the Directors be and are authorised to create and issue the Convertible Bonds in an aggregate principal amount of S\$2,100,000 to Mr. Dai Ji Zhou pursuant to the Proposed CB Issuance subject to, and in accordance with, the terms of the Convertible Bond Agreement;
- (d) the Directors be and are authorised to allot and issue the Conversion Shares, which shall be credited as fully paid and rank *pari passu* with all respects with the existing Shares upon payment in accordance with the terms of the Convertible Bond Agreement, pursuant to the conversion (if any) of the Convertible Bonds subject to, and in accordance with, the terms of the Convertible Bond Agreement, and such further Conversion Shares as may be required to be allotted and issued on the conversion of any of the Convertible Bonds upon the adjustment of the Conversion Price in accordance with the terms of the Convertible Bond Agreement; and
- (e) any one or more Directors be and is/are hereby authorised to do all such acts and things and approve, execute and deliver all such documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Proposed CB Issuance and the transactions contemplated thereunder including but not limited to the issuance of the Convertible Bonds and/or the allotment or issue of the Conversion Shares.

For the avoidance of doubt, Shareholders' pre-emptive right under Bye-law 12(2) of the Bye-laws shall not apply to the Company's proposed allotment and issue of the Conversion Shares.

AS ORDINARY RESOLUTION 2 – APPROVAL OF THE PROPOSED SHARE PLACEMENT

THAT:

- (a) pursuant to Rule 805(1) of the Listing Manual and Bye-law 12 of the Bye-laws, approval be and is hereby given for the Proposed Share Placement, particulars of which are set out in the Circular;
- (b) the terms of, the Company's entry into and performance of, and the execution and delivery by a Director for and on behalf of the Company of, the Placement Agreements be and is hereby ratified, confirmed and approved;
- (c) the Directors be and are authorised to allot and issue an aggregate of 35,000,000 new Placement Shares, which shall be credited as fully paid and rank *pari passu* with all respects with the existing Shares upon payment in accordance with the terms of the Placement Agreements, for an issue price of S\$0.11 for each Placement Share (which shall be payable in SGD, US\$ or such other currency to ensure that the issue price shall not fall below the par value of US\$0.08 per Share) to the Placees pursuant to the Proposed Share Placement subject to, and in accordance with, the terms of the Placement Agreements; and
- (d) any one or more Directors be and is/are hereby authorised to do all such acts and things and approve, execute and deliver all such documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Proposed Share Placement and the transactions contemplated thereunder including but not limited to the allotment or issue of the Placement Shares.

For the avoidance of doubt, Shareholders' pre-emptive right under Bye-law 12(2) of the Bye-laws shall not apply to the Company's proposed allotment and issue of the Placement Shares.

By Order of the Board

Chong Tin Yam, Alex
Executive Director and Chief Executive Officer
10 May 2017

IMPORTANT: Please read notes below.

Notes:

1. If a Shareholder who is not a Depositor is unable to attend the SGM and wishes to appoint a proxy/proxies to attend and vote on his behalf, he could complete, sign and return the proxy form despatched to Shareholders who are not Depositors ("Shareholder Proxy Form") in accordance with the instructions printed thereon. With the exception of The Central Depository (Pte) Limited ("CDP") who may appoint more than two proxies, a Shareholder entitled to attend and vote at the SGM who holds two (2) or more shares is entitled to appoint no more than two proxies to attend and vote on his behalf. A proxy need not be a Shareholder.
2. Where a form of proxy appoints more than one proxy (including the case where such appointment results from a nomination by CDP), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
3. If a Depositor who is an individual and whose name appears in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore) as at a time not earlier than forty-eight (48) hours before the time appointed for the SGM and is unable to attend the SGM personally and wishes to appoint a proxy/proxies to attend and vote on his behalf, he should complete, sign and deposit the proxy form despatched to Depositors (the "Depositor Proxy Form") in accordance with the instructions printed therein.
4. A Depositor who is not an individual can only be represented at the SGM if its nominee(s) is/are appointed as CDP's proxy/proxies. To appoint its nominee/nominees as proxy/proxies of CDP and to enable its nominee/nominees to attend and vote at the SGM, such Depositor should complete, execute and deposit the Depositor Proxy Form in accordance with the instructions therein.
5. A corporation which is a Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its corporate representative at the SGM.
6. To be valid, the Shareholder Proxy Form or the Depositor Proxy Form, together with the power of attorney or other authority, if any, under which it is signed on behalf of the appointor, or a certified copy of such power or authority, shall be delivered at the Company's Share Transfer Agent, M&C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902 not less than forty-eight (48) hours before the time appointed for holding the SGM or at any adjournment thereof. Detailed instructions can be found on the Shareholder Proxy Form and Depositor Proxy Form.
7. The completion and return of a Shareholder Proxy Form by a Shareholder who is not a Depositor, or a Depositor Proxy Form by a Depositor who is an individual, shall not preclude him from attending and voting in person at the SGM if he wishes to do so, in place of his proxy/proxies.

Personal Data Privacy

Where a Shareholder of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the SGM and/or any adjournment thereof, such Shareholder of the Company (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents) of proxies and representatives appointed for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the SGM (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 Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the Shareholder 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 Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.