

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

DEVELOPMENT OF NEW LINE OF BUSINESS

The Board of Directors (the “**Board**”) of Asia Fashion Holdings Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), refers to its announcement dated 17 March 2017, in which the Company had announced the incorporation of its new subsidiary, 上海戴优垄新材料有限公司 (Shanghai Daiyoulong).

With this new subsidiary, the Company intends to commence active business in the wholesale distribution of reputable healthcare product(s) , including but not limited to nano-based healthfoods, in the People’s Republic of China. It is intended that the required certifications and licenses for such sales and distribution will be obtained from the relevant authorities in the People’s Republic of China.

This new line of business is being spearheaded by Mr. Zhang Wei (the non-executive Chairman of the Company) and Mr. Zhu Zhi Hong (a newly-appointed executive director of the Company), both of whom possess valuable expertise and experience in the sales and distribution industry in the People’s Republic of China. Mr. Mak Tin Sang, the Chief Financial Officer of the Company also possesses over 20 years of experience in this trade in the People’s Republic of China with his previous jobs prior to the commencement of his employment with the Company in May 2015.

The Board will provide prompt updates on the development of this business initiative to Shareholders from time to time.

Save for their respective interests in the share capital of the Company, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the new line of business contemplated above.

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Chong Tin Yam, Alex
Executive Director and Chief Executive Officer
26 April 2017