

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

THE PROPOSED CONSOLIDATION OF EVERY SIXTEEN (16) EXISTING SHARES INTO ONE (1) CONSOLIDATED SHARE, FRACTIONAL ENTITLEMENTS TO THE CONSOLIDATED SHARES RESULTING FROM THE SHARE CONSOLIDATION TO BE DISREGARDED (THE "SHARE CONSOLIDATION")

- COMPLETION OF THE SHARE CONSOLIDATION

Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the Announcements (as defined herein).

The Board of the Company (the "**Board**") refers to the announcements released by the Company on 25 November 2015, 29 December 2015, 4 January 2016, 20 January 2016, 5 February 2016 and 15 February 2016 (collectively, the "**Announcements**") and the Circular. The Share Consolidation was approved by Shareholders at the SGM held on 5 February 2016.

The Company is pleased to announce that the Share Consolidation has been completed and was effective with effect from 9.00 a.m. today. Every sixteen (16) Existing Shares registered in the name, or standing to the credit of the Securities Account, of each Shareholder or Depositor (as the case may be) as at the Books Closure Date, have been consolidated into one (1) Consolidated Share.

Accordingly, as at 24 February 2016, the issued and paid-up share capital of the Company comprises 50,500,000 Consolidated Shares. The Register of Members of the Company and the Depository Register have been updated to reflect the number of Consolidated Shares held by each Shareholder based on their holdings of the Existing Shares as at the Books Closure Date.

Further, there were fractional entitlements to the Consolidated Shares resulting from the Share Consolidation. The fractional entitlements were aggregated and at the completion of the Share Consolidation, these amounted in aggregate to 74 Consolidated Shares (the "**Fractional Shares**") at the record of The Central Depository (Pte) Limited (the "**CDP**") and the Register of Members of the Company.

As stated in its announcement dated 15 February 2016 and Circular, the number of Consolidated Shares which Shareholders will be entitled to pursuant to the Share Consolidation, based on their holdings of the Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractional entitlements will be disregarded. All fractional entitlements arising from the Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (but without limitation) aggregating any fractional entitlements to the Consolidated Shares arising as a result thereof and selling the same and retaining the net proceeds for the benefit of the Company in such manner and on such terms as the Directors may think fit.

The Board has appointed Zhou Chen (the "**Authorised Person**"), who is the Chief Financial Officer and Company Secretary of the Company, to arrange for the sale of the Fractional Shares in the open market on behalf of the Company and that after deduction of the expenses of such sale, the net proceeds be paid to the Company for the Company's benefit. The securities account of the Authorised Person with CDP will be credited with the Fractional Shares, as soon as reasonably practicable.

The Company also wishes to inform the Shareholders that the SGX-ST is giving affected companies carrying out a share consolidation to comply with the minimum trading price requirement, a 6-month extension before they are reviewed for compliance with the minimum trading price requirement. The 6-month volume-weighted average price of the shares of these companies will thus be assessed only on 1 September 2016 instead of 1 March 2016. The extension will only apply to companies which have consolidated their shares before 1 March 2016.

BY ORDER OF THE BOARD

Mak Tin Sang
Executive Chairman and Chief Executive Officer
24 February 2016