

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

USE OF PROCEEDS RAISED FROM THE PROPOSED ISSUANCE OF 7.0% UNSECURED CONVERTIBLE BONDS DUE 2017 OF AN AGGREGATE PRINCIPAL AMOUNT OF S\$2,660,000 (“CONVERTIBLE BONDS”)

The Board of Directors (the “**Board**”) of Asia Fashion Holdings Limited (the “**Company**”) refers to the announcements dated 5 March 2015, 16 March 2015, 27 March 2015 and 31 March 2015 (collectively, the “**Convertible Bond Announcements**”).

Further to the Convertible Bond Announcements, the Board wishes to provide an update on the use of the net proceeds amounting to approximately S\$2,527,000 (“**Net Proceeds**”) raised from the Convertible Bonds.

Part of the Net Proceeds from the Convertible Bonds have been utilized by the Company as general working capital, in accordance with the intended use as set out below:

	Amounts S\$('000)
NET PROCEEDS RAISED	S\$2,527,000
APPLICATION OF PROCEEDS	
Settlement of FY2014 accrued operating expenses	S\$105,300
Settlement of directors' remuneration and staff salary	S\$208,600
Settlement of audit expenses	S\$250,000
Listing Expenses	S\$142,000
Rental Expenses	S\$112,000
Settlement of other professional expenses	S\$83,200
Settlement of other operating expenses	S\$156,000
Repayment of interest to creditors	S\$46,500
BALANCE	S\$1,423,400

BY THE ORDER OF THE BOARD

Mak Tin Sang
Executive Director and Chief Executive Officer
7 July 2015