

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

USE OF PROCEEDS RAISED FROM THE PLACEMENT (THE "PLACEMENT") OF AN AGGREGATE OF 58,800,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO BE ISSUED AT S\$0.06 PER PLACEMENT SHARE TO PLACEEES PURSUANT TO (1) THE PLACEMENT AGREEMENTS ENTERED INTO BETWEEN THE COMPANY AND EACH OF FOREST EDUCATION FOUNDATION LIMITED, GRAND POWERFUL GROUP LIMITED, TSANG YUEN WAI SAMUEL AND WONG YU CHIU BEN DATED 25 MARCH 2015 AND (2) THE PLACEMENT AGENT AGREEMENT ENTERED INTO BETWEEN THE COMPANY AND UOB KAY HIAN PRIVATE LIMITED DATED 25 MARCH 2015

The Board of Directors (the "**Board**") of Asia Fashion Holdings Limited (the "**Company**") refers to the announcements dated 25 March 2015, 6 April 2015, 7 April 2015, 8 April 2015 and 15 April 2015 (collectively, the "**Placement Announcements**").

Further to the Placement Announcements, the Board wishes to provide an update on the use of the net proceeds amounting to approximately S\$3,200,000 ("**Net Proceeds**") raised from the Placement

Part of the Net Proceeds from the Placement 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\$3,200,000
APPLICATION OF PROCEEDS	
Repayment of interest to creditors	S\$700,000
BALANCE	S\$2,500,000

BY THE ORDER OF THE BOARD

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