

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

(the "Company")

FURTHER DISCLOSURE OF INFORMATION PURSUANT TO THE CONDITIONS OF THE APPROVAL IN-PRINCIPLE FOR THE LISTING AND QUOTATION OF UP TO 58,800,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "PLACEMENT SHARES") TO BE ISSUED AT S\$0.06 PER PLACEMENT SHARE (THE "PLACEMENT")

The Board of Directors (the "Board") of the Company refers to the announcements dated 25 March 2015, 6 April 2015 and 7 April 2015 (the "Placement Announcements"). Capitalised terms not hereinafter defined shall, in their respective contexts, bear the meanings ascribed to them in the Placement Announcements.

Further to the Placement Announcements, the Board wishes to further disclose the following information, pursuant to the conditions stated in the Approval In-Principle granted by Singapore Exchange Security Trading Limited ("SGX-ST") dated 6 April 2015:

Required disclosure

Reasons for the appointment of a Placement Agent when the Placees were introduced through the Introducer

Corresponding information

To complete the Placement on time, the Company engaged both the Placement Agent and Introducer to place up to not more than 58.8 million shares. Each of the Placement Agent and the Introducer had reached out to their respective clients and eventually, the Placement Agent managed to place out 14.7 million shares to 12 placees while the Introducer referred 4 placees to take up a total of 44.1 million shares.

Directors' views on why the payment of a placement fee of 3.5% to the Placement Agent on top of a 3.5% introduction fee paid to the introducer is in the best interests of the Company

The Introducer introduced four (4) placees who have placed 44,100,000 Placement Shares and raised S\$2,646,000. Upon completion of the Placement, the total introduction fees payable to the Introducer for the Placees introduced by the Introducer is 3.5% of the Placement Price for each Placement Share, which amounts to S\$92,610.

Separately, the Placement Agent procured twelve (12) placees who have placed 14,700,000 Placement Shares and raised S\$882,000. Upon completion of the Placement, the total placement fee payable to the Placement Agent for the placees procured by the Placement Agent is 3.5% of the Placement Price for each Placement Share, which amounts to S\$30,870.

In light of the foregoing, the Company will only be paying introduction and payment fees totalling S\$123,480, or 3.5% of the gross proceeds of S\$3,480,000 received from the Placement.

The Directors deem it to be in the best interests of the Company to pay the 3.5% commission fees in order to facilitate the necessary referrals (from the Introducer) and procuring of subscribers (from the Placement Agent). The fees payable are in line with market practice.

Details of the investment that is envisaged for the placement proceeds to be deployed

The Company is currently in preliminary talks with partners to increase its shareholdings in an investment holding company. In addition, the Company is also in initial discussions with certain investment targets which are in the similar line of business as the Company. Proceeds from the Placement are intended for such an investment(s). The Company will keep shareholders updated.

BY THE ORDER OF THE BOARD

Neo Chee Beng
Executive Chairman
8 April 2015