

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

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**QUALIFIED OPINION AND EMPHASIS OF MATTER BY AUDITORS ON FINANCIAL  
STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

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Pursuant to Rule 704(5) of the Listing Manual of Singapore Exchange Securities Trading Limited, the Board of Directors of Asia Fashion Holdings Limited (the "Company") and its subsidiaries (the "Group") wishes to announce that the Independent Auditors, Messrs Foo Kon Tan Grant Thornton LLP, has issued a "Qualified Opinion" and an "Emphasis Of Matter" in their Independent Auditors Report in respect of the audited financial statements of the Group for the financial year ended 31 December 2013. The nature and contents of the qualification are contained in the attached Independent Auditors' Report.

In relation to the qualification, the Board wishes to inform shareholders that this arose because the Group recorded compensation claims amounting to RMB424.58 million as an expense in profit or loss for the year during the financial year ended 31 December 2013. Part of these compensation claims has been paid up and the amounts in respect of these compensation claims have been fully provided for in the financial statements of the Group.

As set out in the "Emphasis Of Matter" section of the Independent Auditors' Report and on the basis detailed in the attached Note 2(a) to the Financial Statements relating to the going concern assumptions, the Board wishes to inform shareholders that the Group has sufficient working capital to meet its obligations as and when they fall due.

Shareholders are advised to refer to the Annual Report for FY 2013 of the Company, which will be despatched to shareholders shortly, for more details of the qualified opinion and emphasis of matter.

By Order of the Board

Lin Daoqin  
Executive Director and Chief Executive Officer  
8 May 2014