

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

EXTENSION OF COMPLETION DATE IN RELATION TO THE SALE AND PURCHASE AGREEMENT DATED 20 NOVEMBER 2017 IN RELATION TO THE PROPOSED SALE OF 6,100 ORDINARY SHARES IN THE SHARE CAPITAL OF RICH CIRCLES ENTERPRISE LIMITED TO MS. LI YA XIN AS “PURCHASER” (THE “PROPOSED DISPOSAL”) AND FURTHER UPDATES ON THE PROPOSED DISPOSAL

Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Announcements (as defined hereinafter).

Further to the announcements dated 20 November 2017, 26 March 2018 and 23 April 2018 in relation to the Proposed Disposal (collectively, the “**Announcements**”), the Board of the Company wishes to announce that the SGX has, on 9 May 2018, rejected the Company’s circular clearance application dated 20 April 2018 in relation to the Proposed Disposal (the “**Application**”).

The SGX had earlier requested that the Company appoint an independent auditor to conduct a cash / transaction audit review (as applicable) in relation to: (a) the business currently carried on by RCEL and its subsidiaries, and (b) the operations of the Company’s new distribution business conducted by the Company’s wholly-owned foreign enterprise subsidiary, Shanghai Daiyoulong New Materials Limited (上海戴优垄新材料有限公司). The SGX has, on 9 May 2018, clarified that they require such audit reviews to be completed prior to the review of the Application by the SGX. Thereafter, the Company may proceed to resubmit the Application for review by the SGX.

The Company is currently in the process of arranging for the relevant audit reviews to be conducted, and will keep shareholders updated on this.

In connection with the above, the Board of the Company wishes to announce that the Purchaser and the Company have on 15 May 2018 agreed in writing to extend the Completion Date of the SPA to 26 September 2018 or such other date as the Purchaser and the Company may mutually agree in writing.

The Company will provide further updates to shareholders from time to time and further announcements will be made in relation to the Proposed Disposal in due course.

Shareholders and potential investors should note that the Proposed Disposal is subject to the fulfilment of, *inter alia*, the conditions precedent set out in the Announcements, and accordingly, should exercise caution when trading in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Wang Jie Yao, Airy
Executive Director and Chief Executive Officer
15 May 2018