

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

**APPROVAL IN PRINCIPAL IN RESPECT OF THE PROPOSED ISSUANCE OF 7.0% UNSECURED CONVERTIBLE BONDS DUE 2017 OF AN AGGREGATE PRINCIPAL AMOUNT OF S\$2,660,000**

The Board of Directors (the "**Board**") of Asia Fashion Holdings Limited (the "**Company**") refers to the announcements dated 5 March 2015 and 16 March 2015 ("**Announcements**"). Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the Announcements.

Further to the Announcements, the Board is pleased to announce that the Company has on 27 March 2015, received the approval in-principle from the SGX-ST for the listing and quotation of up to 38,000,000 new ordinary shares in the capital of the Company on the Main Board of the SGX-ST to be issued upon conversion of 7.0% convertible bonds due 2017 of an aggregate amount of S\$2,660,000 (the "**Approval In-Principle**").

The Approval In-Principle is subject to the following conditions:

- (a) Compliance with the SGX-ST's listing requirements;
- (b) Announcement of the conditions under which the price of the Conversion Shares may be adjusted;
- (c) Submission of:
  - (i) A written undertaking from the Company that it will comply with Listing Rule 704(30) and Listing Rule 1207(20) in relation to the use of the proceeds from the Bonds and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - (ii) A written confirmation from the Company that it will comply with Listing Rule 803;
  - (iii) A written confirmation from the Company that it will not place the Bonds to persons prohibited under Listing Rule 812(1);
  - (iv) A written confirmation from the Company that the terms of the Bonds comply with Listing Rule 829(1);
  - (v) A written undertaking from the Company to announce any adjustments made pursuant to Listing Rule 829(1); and
  - (vi) A written undertaking from the Company that it will comply with Listing Rule 831.

Please note that the SGX-ST's Approval In-Principle is not to be taken as an indication of the merits of the Bonds, the Conversion Shares, the Company and/or its subsidiaries.

A separate announcement will be issued by the Company upon the allotment and issue of the Bonds.

BY THE ORDER OF THE BOARD

Neo Chee Beng  
Executive Chairman  
27 March 2015