

## ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

(the “Company”)

### 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”)

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The Board of Directors (the “Board”) of the Company refers to the announcements dated 25 March 2015 and 6 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 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

Details and background of Introducer (as defined below) and person making the introduction

#### Corresponding information

The placees were introduced by the Company’s appointed referral agent (the “Placees”), A C Partners Corporate Advisory Limited (“Introducer”), an advisory firm incorporated in the British Virgin Islands. The Introducer was engaged by the Company to provide consultancy services in the Company’s fund raising transactions and as its agent to introduce placees for the Proposed Placement. The sole director and shareholder of the Introducer is Chong Tin Yum, Alex (“Mr. Chong”), a Hong Kong resident with over ten (10) years of experience in financial consultation, and mergers and acquisitions of public listed companies and private venture groups in Hong Kong, China and Singapore. Prior to the engagement by the Company, Mr. Chong worked in the financial regulatory industry in Hong Kong for more than five (5) years, and previously held the position of manager (Service Supervision) at the Mandatory Provident Fund Schemes Authority. The commission payable to the Introducer for introduction of the Placees is approximately S\$92,610, being 3.5% of the Placement Price for each Placement Share subscribed by the Placees. The Introducer has no connection (including business relationships) with the Company, its Directors and substantial shareholders, or with the Placees. The commission payable to the Introducer is in line with market practice.

Reasons for the appointment of a Placement Agent when the Placees were introduced through the Introducer, and 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 referred 4 Placees for a total of 44.1 million Placement Shares. Separately, the Placement Agent will be procuring subscribers for 14.7 million Placement Shares. A commission fee of 3.5% of the Placement Price for each Placement Share is paid to the Introducer and Placement Agent respectively for placees procured by each of them. In light of the foregoing, there is no payment of a placement fee of 3.5% to the Placement Agent on top of a 3.5% introduction fee paid to the introducer.

Reasons why the Company is raising further funds when it is already raising S\$2.66 million from its placement of convertible bonds with approval in-principle from the SGX-ST for the listing and quotation of up to 38,000,000 conversion shares on 27 March 2015, and of which the

In relation to the issuance of convertible bonds, the proceeds will be fully used for working capital purposes. On the other hand, the proceeds from the Placement will mostly be used for investment purposes. Therefore, the proceeds from the Placement will be utilised for a purpose different from those of the issuance of convertible bonds.

proceeds have not yet been utilised

Details of the investment that is envisaged for the placement proceeds to be deployed : The Company is considering further potential investments, whereby the proceeds from the Placement are intended for such investments. The Company will keep shareholders updated in this regard.

#### Details and background of the Placees

Name of Placee	Number of placement shares	Background and rationale of the Placee's (as procured by the Introducer) subscription of the placement shares
Forest Education Foundation Limited ("Forest Education")	2,940,000	Forest Education was incorporated in Hong Kong in 2004 for charitable purposes, with its registered office at Unit 2502, 25/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong. Its initial funds were contributed by its sole fund manager and director, Fung Yui Sun ("Mr. Fung"). Mr. Fung was formerly the deputy chairman, co-founder, managing director, and subsequently non-executive director of Midland Holdings Limited (HK:1200). He was also a member of Hong Kong Estate Agents Authority. Forest Education has been involved in investments for ten (10) years through investment of funds in listed companies globally. Forest Education donates its profits to schools in China, mainly in the Gansu province. It has invested in the Placement Shares for investment purposes.
Grand Powerful Group Limited ("Grand Powerful")	14,700,000	Grand Powerful was incorporated in 2013 in the British Virgin Islands for investment purposes. Its sole shareholder and director Mr. Cheng Ming Kit ("Mr. Cheng"), has over ten (10) years of experience in the fields of corporate finance and operations in China. He also has ten (10) years of investment experience, and served in various positions with New World Development Company Limited (HK: 0017) ("New World Development") from 1995 to 2003. During his tenure, he has worked with credit rating agencies to secure investment grade ratings for New World Development's bond issuance and was involved with New World Development's various equity offerings. Mr. Cheng served as the Chairman, Chief Executive Officer and Chief Financial Officer of Neo Alliance Minerals Inc. (TSX: NAM)(nka Synergy Acquisitions Inc. NEX: SAQ.H), a TSX Venture listed company from March 29 2006 to March 19 2007. Mr. Cheng served as an Executive Director at Grand T G Gold Holdings Limited from November 2008 to June 2009. He is currently the Chief Executive Officer of New Times Energy Corporation Ltd. (HK: 166) and the Executive Chairman of Blue Sky Power Holdings Limited (HK: 6828, UQ7.SI). Grand Powerful has invested in the Placement Shares for investment purposes.
Tsang Yuen Wai Samuel ("Mr. Tsang")	14,700,000	Mr. Tsang, a resident and citizen of Hong Kong, joined Melco International Development Limited ("Melco") in November 2001. He is currently the Group Legal Counsel & Company Secretary of the said company. Mr. Tsang is a solicitor admitted in Hong Kong, England and Australia. As Group Legal Counsel and Company Secretary, Mr. Tsang oversees the legal, corporate and compliance matters of the group consisting of Melco and its subsidiaries. Mr. Tsang has worked as a lawyer with major law firms and listed conglomerates in Hong Kong for over thirty (30) years. He holds a master of laws degree from University of Hong Kong and a master of business administration degree from the Australian Graduate School of Management. He is currently an executive director of MelcoLot

Limited (a subsidiary of Melco), a company listed on the Hong Kong Stock Exchange, and a director of Entertainment Gaming Asia Inc. (a subsidiary of Melco), a company listed on the NASDAQ Capital Market in the United States. He also has fifteen (15) years of investment experience. He has invested in the Placement Shares for investment purposes in his personal capacity.

Wong Yu Chiu Ben (“**Mr. Wong**”) 11,760,000

Mr. Wong, a resident and citizen of Hong Kong, has worked in the financial field over thirty (30) years. Between 1989 and 1993, he was involved in institutional sales in Goldman Sachs Asia, and left as an Executive Director. He then founded Makindo Securities, a Futures and Asset Management Company in 1993 and sold it to a listed company in 2001. He remained in securities industry until now. He is currently the Managing Director of Cepa Alliance Securities Ltd. He also has 26 years of investment experience. He has invested in the Placement Shares for investment purposes in his personal capacity.

The Placees were identified through the Introducer, which was engaged by the Company as its agent to refer the Placees for the Placement. The Introducer met each of the Placees at business meetings.

The Placees and their Directors and substantial shareholders (where applicable) have no connection (including business relationships) with the Company, its Directors and substantial shareholders. Under the terms of the Placee Placement Agreement dated 25 March 2015, the Placees have represented, warranted and undertaken to and for the benefit of the Company, *inter alia*, that they are not acting in concert with any other placee or shareholder of the Company in relation to the Placement Shares. The Placees will not be holding the Placement Shares on trust as a nominee for any entity or person.

None of the Placees are interested persons under Chapter 9 of the Listing Manual of the SGX-ST.

The Board will keep shareholders updated on any material developments of the above.

BY THE ORDER OF THE BOARD

Neo Chee Beng  
Executive Chairman  
7 April 2015