

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

UPDATE ON THE PROPOSED PLACEMENT AND PROPOSED ACQUISITION

The Board of Directors (the “**Board**”) of Asia Fashion Holdings Limited (the “**Company**”) refers to the announcement dated 2 March 2016 (the “**Announcement**”).

Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings as in the Announcement.

The Board wishes to announce that the Company has received a letter from the SGX-ST on 23 September 2016 (the “**Notification Letter**”) informing the Company that the SGX-ST is unable to grant the Company approval-in-principle for the listing and quotation of the Placement Shares and the clearance of the draft circular relating to the Proposed Placement and Proposed Acquisition. The SGX-ST’s reasons in the Notification Letter are summarised as follows:-

- (a) the Placement Price for the issue of the Placement Shares should be determined before the SGM is convened by the Company to obtain Shareholders’ approval, and not after; and
- (b) further information on the details of the placees and the number of shares to be placed to each placee pursuant to the Proposed Placement is required to be provided to enable the SGX-ST to evaluate and to be satisfied that the Proposed Acquisition, when taken together with the Proposed Placement, would not constitute a reverse takeover, or result in a transfer of controlling interest of the Company as defined under the SGX-ST Listing Manual.

The Board and management of the Company are assessing the Company’s position and the reasons provided in the Notification Letter and will provide further updates to Shareholders in due course.

By Order of the Board

Chong Tin Yam, Alex
Executive Director and Chief Executive Officer
26 September 2016