

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

MEMORANDUM OF UNDERSTANDING

The Board of Directors (the “**Board**”) of Asia Fashion Holdings Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), wishes to announce that Asia Entertainment (Hong Kong) Limited (“**Asia Entertainment**”), a wholly-owned subsidiary of the Company, had on 4 October 2016 entered into a memorandum of understanding (“**MOU**”) with G Music (HK) Limited (“**G Music**”).

G Music is a Hong Kong-based entertainment company focusing on the planning, organisation and marketing of music-related concerts, shows and other functions. Since 2008, G Music has organised numerous “sold-out” events in Hong Kong starring regional celebrities such as Girls’ Generation, Namie Amuro, and Lee Min Ho.

The MOU shall remain valid for a period of 14-days from the date of execution (or such further period as may be agreed by the parties thereto in writing) (the “**Validity Period**”). Under the MOU, Asia Entertainment and G Music have agreed to negotiate in good faith and agree on the terms and conditions of organising and promoting the 15th Anniversary Live Tour “Forever Memories” concert of W-inds in Hong Kong (the “**W-inds HK Concert**”) with a view to entering into a definitive and legally binding agreement within the Validity Period of the MOU. W-inds is a popular Japanese dance boy group under the Pony Canyon label with a fan base that extends to countries such as China, Taiwan and Hong Kong. If such agreement is entered into, Asia Entertainment and G Music will, in conjunction with Big Honor Entertainment Limited and Yiu Wing Entertainment Co. Ltd., be jointly organising and promoting the W-inds HK Concert together with other service providers. The W-inds HK Concert is planned to be held sometime in November.

Save for their respective interests in the share capital of the Company, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the transactions contemplated above.

As the MOU may or may not lead to the entry into any formalised agreements, shareholders and potential investors should exercise caution when trading in the securities 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

Chong Tin Yam, Alex
Executive Director and Chief Executive Officer
5 October 2016