



Asia Fashion Holdings Limited

(Company Registration No. 41195)
(Incorporated in Bermuda)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2016 (“1Q2017”)

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of comprehensive income for Asia Fashion Holdings Limited (the “Company”) and its subsidiaries and/or associated companies (the “Group”)

	1Q2017 RMB'000 (Unaudited)	3Q2015 RMB'000 (Unaudited)	% Change + / (-)	3M2017 RMB'000 (Unaudited)	3M2015 RMB'000 (Unaudited)	% Change + / (-)
Continuing operations						
Revenue	-	35,191	N/A	-	35,191	N/A
Cost of sales	-	(22,386)	N/A	-	(22,386)	N/A
Gross profit	-	12,805	N/A	-	12,805	N/A
Other operating income	-	-	N/A	-	-	N/A
Selling and distribution expenses	-	(1,882)	N/A	-	(1,882)	N/A
Administrative expenses	(1,654)	(3,576)	(54%)	(1,654)	(3,576)	(54%)
Finance costs	(441)	(6,680)	(93%)	(441)	(6,680)	(93%)
	(2,095)	667	N/A	(2,095)	667	N/A
Share of profit from associates, net of tax	-	-	N/A	-	-	N/A
(Loss)/Profit before taxation from continuing operations	(2,095)	667	N/A	(2,095)	667	N/A
Income tax expense	-	(14)	N/A	-	(14)	N/A
(Loss)/Profit after taxation from continuing operations	(2,095)	653	N/A	(2,095)	653	N/A
Other comprehensive income	-	-	N/A	-	-	N/A
Total comprehensive (loss)/profit net of tax	(2,095)	653	N/A	(2,095)	653	N/A
Total comprehensive (loss)/profit, net of tax, attributable to:						
Equity holders of the company	(2,095)	(1,187)	76%	(2,095)	(1,187)	76%
Non-controlling interest	-	1,840	N/A	-	1,840	N/A
	(2,095)	653	N/A	(2,095)	653	N/A

Please also refer to Sections 8a and 8b of this announcement.



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- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

The Group's (loss)/profit before taxation from continuing operations is arrived at after charging :

	1Q2017 RMB'000 (Unaudited)	3Q2015 RMB'000 (Unaudited)	3M2017 RMB'000 (Unaudited)	3M2015 RMB'000 (Unaudited)
Interest expenses on :				
- 10% SME Bonds (RMB180M)	-	4,500	-	4,500
- 7% Straight Bond (S\$10M)	-	856	-	856
- 7% Loan to Subsidiary (RMB51M)	-	892	-	892
- 7% Convertible Bond (S\$2.66M)	226	221	226	221
- 10% Straight Bond (HK\$10M)	215	211	215	211
Total Finance Costs	441	6,680	441	6,680

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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of financial position

	←----- The Group -----→		←----- The Company -----→	
	As at		As at	
	30 September 2016 RMB'000 (Unaudited)	30 June 2016 RMB'000 (Audited)	30 September 2016 RMB'000 (Unaudited)	30 June 2016 RMB'000 (Audited)
Non-current assets				
Property, plant and equipment	-	-	-	-
Investments in subsidiaries	-	-	8	8
Investments in associates	-	-	-	-
	-	-	8	8
Current assets				
Prepayments and other receivables	136	111	96	102
Amount due from a subsidiary	-	-	425	547
Amount due from associates	302	302	-	-
Loan to associates	61,000	61,000	61,000	61,000
Cash and cash equivalents	158	311	67	67
	61,596	61,724	61,588	61,716
Total assets	61,596	61,724	61,596	61,724
Current liabilities				
Other payables and accruals	5,218	6,313	5,218	6,313
Amount due to associates	6,887	4,051	6,887	4,051
Amount due to former director/ shareholder	1,221	1,221	1,221	1,221
Bonds payable	21,614	21,614	21,614	21,614
Interest payable	949	723	949	723
	35,889	33,922	35,889	33,922
Net current assets	25,707	27,802	25,699	27,794
Net assets	25,707	27,802	25,707	27,802

	←----- The Group -----→		←----- The Company -----→	
	As at		As at	
	30 September 2016 RMB'000 (Unaudited)	30 June 2016 RMB'000 (Audited)	30 September 2016 RMB'000 (Unaudited)	30 June 2016 RMB'000 (Audited)
Equity				
Share capital	27,293	27,293	27,293	27,293
Reserves	(1,586)	509	(1,586)	509
Total attributable to equity holders of the company	25,707	27,802	25,707	27,802
Non-controlling interest	-	-	-	-
Total equity	25,707	27,802	25,707	27,802



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(b)(ii) Aggregate amount of group’s borrowings and debt securities.

Amount repayable in one year or less, or on demand

RMB '000	As at 30 September 2016		As at 30 June 2016	
	Secured	Unsecured	Secured	Unsecured
Bonds payable(i)	-	8,606	-	8,606
Convertible bond(ii)	-	13,008	-	13,008

- (i) Bonds payable of RMB8.606 million was incurred due to a bond subscription agreement, dated 4 March 2015 entered into between the Company and Prime Pacific Investments Limited for the subscription by Prime Pacific Investments Limited of a two-year 10% coupon bond for a principal amount of HK\$10 million. Interest is payable half-yearly in arrears.

- (ii) Convertible bonds

In connection with the Company’s announcements dated 5 March 2015, 16 March 2015, 27 March 2015 and 31 March 2015, the Company had on 31 March 2015 completed the issuance of 7.0% unsecured convertible bonds (“**Convertible Bonds**”) due 2017 of an aggregate principal amount of S\$2,660,000 to Alternus Capital Holdings Limited (the “**Investor**”) pursuant to a convertible bonds agreement dated 5 March 2015 entered into between the Company and the Investor (as supplemented by the supplemental agreement dated 16 March 2015 entered into between the Company and the Investor) (collectively, the “**CBA**”). The Convertible Bonds bear an interest rate of 7%, interest per annum, which is payable quarterly in arrears. The maturity date of the Convertible Bonds is two years from the date of the issue of the Bonds (the “**Maturity Date**”). The Investor may, in accordance with the terms and conditions of the CBA, at any time within the period commencing the 3 months from the issue date up to the Maturity Date convert all or part of the outstanding Convertible Bonds into new ordinary shares at the conversion price of S\$1.12 per share.

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1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Consolidated statement of cash flows for the Group</u>	1Q2017 RMB'000 (Unaudited)	9M2015 RMB'000 (Unaudited)	18M2015 RMB'000 (Audited)
Cash flows from operating activities			
(Loss)/Profit before taxation	(2,095)	653	(28,393)
Adjustments for:			
Amortization of land use rights	-	5	-
Depreciation of property, plant and equipment	-	4,073	-
Loss on disposal of subsidiaries	-	-	6434
Waiver of loan interest charged to an associated company	-	-	1,851
Gain arising from the difference in carrying amount of			
Bond liability extinguished and settlement made	-	-	(14,766)
Fair value gains on bonds	-	-	(1,838)
Share of loss of associated companies	-	-	27,354
Impairment loss on investments in associated company	-	-	37
Interest expense	441	6,680	5,318
Operating (loss)/profit before working capital changes	(1,654)	11,411	(4,003)
Decrease in inventories	-	6,348	-
Decrease in trade receivables	-	7,076	-
(Increase)/decrease in prepayments and other receivables	(25)	5,412	(111)
Increase in amount due to associates	2,836	-	-
(Decrease) in trade payables	-	(15,468)	-
(Decrease) in accrued liabilities and other payables	(1,095)	(11,616)	(14,414)
Cash generated from (used in) operations	62	3,162	(18,528)
Interest paid	(215)	(6,680)	(828)
Net cash (used in) operating activities	(153)	(3,518)	(19,356)
Cash flows from investing activity			
Net effect of cash flow on disposal of subsidiaries (Note A)	-	-	(4,554)
Expenses paid on behalf by associated companies	-	-	5,361
Acquisition of associated company	-	-	(7)
Loan advanced to associated company	-	-	(12,000)
Net cash (used in) investing activities	-	-	(11,200)
Cash flows from financing activities			
Process from issue of shares	-	-	28,547
Process from issue of coupon bond	-	-	7,908
Process from issue convertible bond	-	-	11,739
Repayment of non-equity linked bonds	-	(19,546)	(22,063)
Net cash (used in)/generated from financing activities	-	(19,546)	26,131
Net (decrease) in cash and cash equivalents	(153)	(23,064)	(4,425)
Cash & cash equivalents at beginning of the financial period	311	43,169	4,736
Cash & cash equivalents at the end of the financial period	158	20,105	311



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Note A

Further to the Company’s announcements dated 19 September 2014, 2 February 2015 and 3 February and the Circular dated 9 January 2015, the Company had on 3 February 2015 completed the Proposed Disposal of 100% of the share capital of QIL by the Company to Chengde Industrial Co., Limited for an aggregate purchase consideration of S\$2.4 million in accordance with the terms and conditions of the SPA.

QIL is an investment holding company, and the legal and beneficial owner of 100% of the registered capital of each of Fujian Qianfeng, a company incorporated on 7 December 2001 under the laws of the PRC, and Fujian Jiamei, a company incorporated on 29 April 2004 under the laws of the PRC. Fujian Qianfeng operates the business of manufacture and sale of synthetic knitted fabrics, and Fujian Jiamei operates the business of manufacture of synthetic knitted fabrics.

The carrying value of the identifiable assets and liabilities of QIL Group as at the date of disposal are as follows:

	<i>RMB,000</i>
Property, plant and equipment	(37,633)
Land use rights	(7,649)
Inventories	(11,043)
Trade and other receivable	(90,606)
Cash and cash equivalents	(4,554)
Trade and other payables	111,540
Bond payables	10,000
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	(29,945)
Less: Consideration receivable	10,921
Loss arising from the disposal of QIL Group	<hr/>
	(19,024)
	<hr/>
<i><u>Net effect of cash flow on acquisitions</u></i>	
Consideration received	-
Cash and cash equivalents disposed	(4,554)
Net cash outflow from disposal	<hr/>
	(4,554)
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Note B

The proceeds of offerings pursuant to Chapter 8 undertaken by the Company have been used for the intended purposes and the Company will be making further announcements on the details from time to time.



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of changes in equity for the Group and for the Company

Group

	Share Capital	Contributed Surplus	Share Premium	Capital Reserve	Share Option Reserve	Merger Reserve	Statutory Reserve	Retained Earnings	Other reserve	Total attributable to equity holders of the parents	Non-controlling interest	Total Equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2015 (Restated)	19,220	172,983	65,466	4,230	-	(64,889)	45,303	(226,827)	-	15,486	-	15,486
Issue of shares pursuant to the placement approved in Feb 2015, Apr 2015 and Oct 2015	8073	-	32,636	-	-	-	-	-	-	40,709	-	40,709
Disposal of the QIL Group as approved in SGM on 2 February 2015	-	-	(13,967)	(1,216)	-	64,889	(45,303)	(4,403)	-	-	-	-
Total comprehensive income for the period ended 30 June 2016	-	-	-	-	-	-	-	(28,393)	-	(28,393)	-	(28,393)
Balance at 30 June 2016 (Audited)	27,293	172,983	84,135	3,014	-	-	-	(259,623)	-	27,802	-	27,802
Total comprehensive income for the quarter	-	-	-	-	-	-	-	(2,095)	-	(2,095)	-	(2,095)
Balance at 30 September 2016 (Unaudited)	27,293	172,983	84,135	3,014	-	-	-	(261,718)	-	25,707	-	25,707

Company

Share Capital	Contributed Surplus	Share Premium	Capital Reserve	Share Option Reserve	Retained Earnings	Total Equity
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	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2015 (Restated)	19,220	172,983	51,499	3,014	-	(285,277)	(38,561)
Issue of shares pursuant to the placement approved in February 2015, April 2015 and October 2015	8,073	-	32,636	-	-	-	40,709
Disposal QIL Group as approved by shareholders on 2 February 2015	-	-	-	-	-	54,047	54,047
Total comprehensive income for the period ended 30 June 2016	-	-	-	-	-	(28,393)	(28,393)
Balance at 30 June 2016	27,293	172,983	84,135	3,014	-	(259,623)	27,802
Total comprehensive income for the quarter	-	-	-	-	-	(2,095)	(2,095)
Balance at 30 September 2016 (Unaudited)	27,293	172,983	84,135	3,014	-	(261,718)	25,707



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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There is no change in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since 30 June 2016.

As the Convertible Bonds has yet to be converted, the total number of shares that may be issued upon conversion of the Convertible Bond as at both 30 June 2016 and 30 September 2016 is 2,375,000. Save for the aforementioned Convertible Bond, the Company did not have other outstanding convertibles or treasury shares as at 30 June 2016 and 30 September 2016.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at the end of the current financial period and as at the end of the immediately preceding year is 50,500,000 ordinary shares.

The Company does not hold any treasury shares.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial information for the first quarter ended 30 September 2016 has not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted all the Singapore Financial Reporting Standards (“FRS”) that are mandatory for financial year beginning on or after 1 January 2015.

The accounting policies and methods of computation are consistent with the latest audited financial statements for the period ended 30 June 2016.



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5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There is no change in the accounting policies and methods of computation, including any required by an accounting standard.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	3M2017	3M2015
Basic earnings per share (RMB cents)		
From continuing operations attributable to the equity holders of the Company:		
- Based on the weighted average number of ordinary shares in issue	(4.15)	(2.84)
- Fully diluted	(3.96)	(2.69)
Number of shares		
Current / weighted average number of ordinary shares in issue	50,500,000	41,860,063

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
(a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

RMB Cents	The Group		The Company	
	30 September 2016	30 June 2016	30 September 2016	30 June 2016
Net (liabilities)/asset value per ordinary share	50.90	55.05	50.90	55.05

Note:-

Net asset value per ordinary share of the Group/Company was calculated based on the 50,500,000 and 50,500,000 shares in issue at 30 September 2016 and 30 June 2016, respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

As reported in the full 18 months’ result announcement for the period ended 30 June 2016, despite the fact that on 27 May 2015, the Company has increased its shareholding in the Rich Circles Group from 49% to 54.46% or 6,100 shares out of an expanded total number of 11,200 shares, the Company’s management has re-visited the issue of “control” as a result of the default in the prompt repayment of the RMB 180 million SME Bond by Xuzhou Zhongwei New Board Co., Ltd. (“Zhongwei”) on 28 March 2016 and comes to the conclusion that it is more appropriate to treat the Rich Circles Group as the Company’s associated company instead of a subsidiary, thereby adopting the “equity” instead of “full consolidation” basis of accounting for the Rich Circles Group’s financial performance, for the following major reasons :



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- 1) Effective from 28 March 2016, the date of default of repayment of the RMB 180 million SME Bond to the respective bondholders (in aggregate “the bondholders”), the bondholders have been in a position to take whatever proper legal action(s) in Xuzhou against Zhongwei for the recovery of their bonds. Despite the above, the bondholders are willing to enter into negotiation with the Xuzhou Zhongwei local management and Ms. Li Ya Xin as Rich Circles Group’s major shareholders in search for a mutually agreeable and acceptable solution, the Company is informed by the local management of Zhongwei that the daily operation of Zhongwei has been purportedly under observation by a major bondholder while in the negotiation, until an ultimate solution or agreement has been reached by both Zhongwei and the bondholders;
- 2) Ms. Li Ya Xin, the other major shareholder of the Rich Circles Group owning the remaining 45.54% of its shareholding with effect from 27 May 2015, has on 8 August 2014 granted an irrevocable Power of Attorney (“POA”) to Mr. Yuan Li Min (the then Non-executive Director of the Company) authorizing Mr. Yuan to represent her in all operational and control aspects of the Rich Circles for a period of 20 months. Such POA has expired on 8 April 2016 and extension or renewal has not been granted by Ms. Li Ya Xin to Mr. Yuan Li Min or other legal representative of the Company, hence it is apparent that the Company does not have any direct or indirect control from Ms. Li Ya Xin’s shareholdings in Rich Circles Group.

Subsequently, we have been informed by Ms. Li Ya Xin that she has granted a new irrevocable POA to a person who has a very strong and friendly business relationship with the bondholders and shall work very closely with the bondholders in the currently on-going negotiation about reaching a solution or agreement with the bondholders as direct representative of Ms. Li Ya Xin. It is evidenced that Ms. Li Ya Xin will cooperate with the bondholders under the proper legal framework in China and the control possessed by the Company over the Rich Circles Group has been apparently weakened by the act of Ms. Li Ya Xin;

- 3) Due to the current financial incapability of the Company and Ms. Li Ya Xin, it was obvious that the current shareholders of Rich Circles Group will not be able to raise cash funds of as much as RMB 180 million for injection into Zhongwei to enable Zhongwei to repay the SME Bonds in the near foreseeable future. Accordingly, the local management including, but not limited to, Mr. Huo Wei Sheng has strong tendency to work closely with the bondholders in all aspects of daily normal operations of Zhongwei to avoid the bondholders taking legal actions against them; and
- 4) The Company does not have substantive rights that provide the Company with the ability to exercise that right and to direct relevant activities in Zhongwei.

Accordingly, the management reached a consensus that it is more appropriate from the practical point of view and the current operational position that the Company will treat Rich Circles Group as our associated company and adopt the “equity” accounting basis for recording Rich Circles Group’s financial performance for the 18 months’ period from 1 January 2015 to 30 June 2016 and thereafter, which is in fact consistent with the Company’s accounting treatment of the Rich Circles Group for the financial year ended 31 December 2014. The auditors has concurred with the management’s view and decision.

Shareholders should also refer to the Company’s response to the queries of the Singapore Exchange Securities Trading Limited as released by the Company on 13 September 2016.



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Review of Financial Performance

Revenue for this quarter ended 30 September 2016 was presented as nil as we have adopted the equity accounting basis for our investments in the Rich Circles Group as explained above. For information purposes, the turnover at the Xuzhou Zhongwei level has dropped significantly in the past few quarters as a result of discontinued orders from Baota and Han Energy respectively.

Selling and distribution expenses for this quarter ended 30 September 2016 was presented as nil for the same reason as explained above under the “Revenue” section.

Administrative expenses for this quarter ended 30 September 2016 was approximately RMB1.65 million (same quarter ended 30 September 2015 was approximately RMB3.58 million) which mainly includes remuneration of directors and management staff, office rental, business travelling expenses and professional fees incurred.

Finance costs for this quarter ended 30 September 2016 was approximately RMB0.44 million (same quarter ended 30 September 2015 was approximately RMB6.68 million) which relates to interest accrued for the 10% Coupon Bonds payable and the 7% Convertible Bonds issued at the Company’s level.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Financial Position

Loan to associates of RMB61 million represented the operating loan extended to Rich Circles Group and has remained the same as reported on 30 June 2016.

repayment and other receivables of RMB136 thousand (RMB111 thousand as of 30 June 2016) represented mainly rental and utilities deposits.

Amount due to associates of RMB6.89 million (RMB4.05 million as of 30 June 2016) was due to the payment of costs and expenses by the associated companies for and on behalf of the Company.

Accruals and other payables of RMB5.22 million (RMB6.31 million as of 30 June 2016) mainly represented accrued operating and professional expenses.

Amount due to former director/shareholder of RMB1.22 million (RMB1.22 million as of 30 June 2016) represented amount due to Mr. Lin Dao Qing which is interest free and repayable on demand.

Bonds payable of RMB21.61 million (RMB21.61 million as of 30 June 2016) comprise of (1) Issuance of a 7% Convertible Bond of RMB13.01 million and (2) a 10% Coupon Bonds of RMB8.60 million. For details of the respective Bonds, please refer to section 1(b)(ii) of this package.

Interest payable of RMB0.95 million (RMB0.72 million as of 30 June 2016) relates to the respective interest accrued for the 7% Convertible Bond and the 10% Coupon Bond.

Review of Cash Flow

Net cash generated from operating activities

The Group’s loss before tax for this quarter was approximately RMB2.09 million (loss of approximately RMB1.19 million for the same quarter ended 30 September 2015) and resulted in a



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net cash outflow from operating activities of approximately RMB0.15 million (cash outflow of approximately RMB3.52 million for the quarter ended 30 September 2015).

The Group's cash flows from both investing activities and financing activities for this quarter ended 30 September 2016 were nil.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There are no variances between any forecast or prospect statements disclosed to shareholders and the actual results.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The financial performance of our associated company Xuzhou Zhongwei's new material business for this first quarter has been continuously weak for same reasons explained in past quarters' commentary.

However, as stated in announcements made on 13 and 15 September 2016 respectively, the Group has incorporated two wholly owned subsidiaries, namely Asia Entertainment Limited and Asia Entertainment (Hong Kong) Limited (collectively referred to as Asia Entertainment Group (“AEG”) to start up our new media and entertainment business initially in the Greater China region. Since inception, AEG has already secured cooperation with a few well known Hongkong-based industry players on entertainment-related projects such as live shows and movies shooting. On 5 November 2016, we have successfully organised and presented the first W-inds Concert in Hong Kong with our partners.

Through AEG as the main operating entity, the Group will continue to explore business potentials and strategic partnerships to provide promising growth opportunities to our new business initiative. The Board will provide prompt updates on the development status of this new business initiative to our shareholders from time to time.

11. Dividend

(a) Whether an interim ordinary dividend has been declared

No dividend declared for the current financial period reported on.

(b)

(i) Amount per share

Not applicable.

(ii) Amount per share for corresponding period of the immediately preceding financial year

Not applicable. No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Whether the dividend is before tax, net of tax or tax exempt.



Asia Fashion Holdings Limited

(Company Registration No. 41195)
(Incorporated in Bermuda)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2016 (“1Q2017”)

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared/recommendeded during the period.

13. Interested person transactions

There is no general mandate obtained for interested person transactions.

14. Confirmation by the Board pursuant to Listing Rule 705(5) of the SGX Listing Manual

The Directors confirmed that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial information of the Company and of the Group for the first quarter ended 30 September 2016 to be false or misleading in any material respect.

15. Confirmation pursuant to Listing Rule 720(1) of the SGX Listing Manual

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7 of the SGX Listing Manual.

BY ORDER OF THE BOARD

Chong Tin Yam, Alex
Chief Executive Officer
14 November 2016