



Asia Fashion Holdings Limited

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

UNAUDITED FOURTH QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FULL YEAR ENDED 31 DECEMBER 2014 ("4Q2014")

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 profit or loss and other comprehensive income for the Company and its subsidiaries (the "Group")

| | 4Q2014 RMB'000 | 4Q2013 RMB'000 | % Change + / (-) | FY2014 RMB'000 | FY2013 RMB'000 (Restated) | FY2013 RMB'000 | % Change + / (-) |
|--|-------------------|-------------------|------------------------|-------------------|---------------------------------|-------------------|------------------------|
| Continuing operations | | | | | | | |
| Revenue | 311,714 | - | N/M | 446,031 | - | - | N/M |
| Cost of sales | (242,878) | - | N/M | (331,732) | - | - | N/M |
| Gross profit | 68,836 | - | N/M | 114,299 | - | - | N/M |
| Other income (Note 1) | 414 | 11,648 | (96.5) | 425 | 11,648 | 11,648 | (96.4) |
| Selling and distribution expenses | (74) | - | N/M | (2,012) | - | - | N/M |
| Administrative expenses | (12,414) | (334) | 3,616.8 | (19,905) | (6,544) | (4,559) | 204.2 |
| Other operating expenses (Note 2) | - | 4,667 | N/M | - | 4,667 | 4,667 | N/M |
| Finance costs | (26,362) | - | N/M | (29,800) | - | - | N/M |
| Profit from continued operations | 30,400 | 15,981 | 90.2 | 63,007 | 9,771 | 11,756 | 1,282.0 |
| Income tax expense | (10,154) | - | N/M | (20,096) | - | - | N/M |
| Profit after taxation from continued operations | 20,246 | 15,981 | N/M | 42,911 | 9,771 | 11,756 | N/M |
| Other comprehensive income (Note 3) | 1,224 | - | N/M | 1,224 | - | - | N/M |
| Total comprehensive profit for the period/year from continuing operations | 21,470 | 15,981 | N/M | 44,135 | 9,771 | 11,756 | N/M |
| (Loss)/Profit from discontinued operation, net of tax (Note 4) | (711) | (16,866) | N/M | 40 | (432,715) | (432,715) | N/M |
| Total comprehensive profit/(loss) for the period/year | 20,759 | (885) | N/M | 44,175 | (422,944) | (420,959) | N/M |
| Total comprehensive profit/(loss) attributable to: | | | | | | | |
| Equity holders of the company | | | | | | | |
| - Profit from continuing operations, net of tax | 8,209 | - | N/M | 15,664 | - | - | N/M |
| - Loss from discontinued operation, net of tax | (711) | - | N/M | 40 | - | - | N/M |
| | 7,498 | - | N/M | 15,704 | - | - | N/M |
| Non-continuing interest | 13,261 | - | N/M | 28,471 | - | - | N/M |
| | 20,759 | - | N/M | 44,175 | - | - | N/M |

*N/M = Not Meaningful



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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 profit/(loss) before taxation is arrived at after charging/(crediting):

| | 4Q2014 RMB'000 | 4Q2013 RMB'000 | FY2014 RMB'000 | FY2013 RMB'000 |
|---|-------------------|-------------------|-------------------|-------------------|
| Interest income | - | (48) | (15) | (1,088) |
| Amortization of land use rights | 56 | 45 | 202 | 181 |
| Depreciation of property, plant and equipment | (534) | 1,319 | 16,617 | 8,327 |
| Interest expense | | | | |
| - Continuing operations | 26,589 | - | 29,800 | - |
| - Discontinued operations | 227 | 460 | 547 | 2,155 |
| Foreign exchange (gain)/loss – net | - | 130 | - | 68 |
| Provision for compensation to customers | - | - | - | 424,580 |
| Reversal of provision for minimum guaranteed royalty written back | - | 4,667 | - | - |
| Provision for compensation to distributors written back | - | - | - | (11,562) |

Note:

1. Other income were mainly made up of:

FY2014

The other income for the current financial year relates mainly to the sales of scrap material.

FY2013

- interest income amounting to approximately RMB1.1 million*;
- sales of scrap material amounting to approximately RMB0.2 million*; and
- provision for compensation written back of approximately RMB11.6 million.

* - included in the (loss)/profit from discontinued operations, net of tax

2. Other expenses were made up of:

FY2014

Nil

FY2013

This relates to reversal of provision of minimum guaranteed royalty written back approximately RMB4.7 million.

3. Other comprehensive income relates to share option reserve, in conjunction with the option granted to ex-CFO, written off upon the expiration of the grant.



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4. (Loss)/Profit from discontinued operation, net of tax:

Pursuant to the shareholders' circular dated 9 January 2015 in relation to the sale and purchase agreement dated 19 September 2014 entered into between the Company, the Purchaser and Lin Daoqin in relation to the disposal of 100% of the share capital of Qianfeng International Limited ("QIL") by the Company to Chengde Industrial Co., Limited (the "Purchaser") (the "Proposed Disposal") for an aggregate consideration of S\$2.4 million. The Proposed Disposal was approved by the shareholders of the Company on 2 February 2015, with effect from 3 February 2015.

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 results of QIL and its subsidiaries for the quarter ended 31 December 2014 ("4Q2014") and year ended 31 December 2014 ("FY2014") are as follows:-

| | 4Q2014 | 4Q2013 | FY2014 | FY2013 |
|-----------------------------------|----------------|----------------|----------------|----------------|
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | (Unaudited) | | (Unaudited) | |
| Revenue | 23,613 | 63,420 | 127,798 | 155,468 |
| Cost of sales | (23,549) | (49,624) | (114,593) | (134,901) |
| Gross profit | 64 | 13,796 | 13,205 | 20,567 |
| Other income | - | 20 | 20 | 1,315 |
| Selling and distribution expenses | (725) | (1,741) | (4,244) | (5,738) |
| Administrative expenses | (334) | (6,357) | (8,394) | (16,229) |
| Other operating expenses | - | (20,896) | - | (429,247) |
| (Loss)/Profit from operations | (995) | (15,178) | 587 | (429,332) |
| Finance costs | (227) | (460) | (547) | (2,155) |
| (Loss)/Profit before taxation | (1,222) | (15,638) | 40 | (431,487) |
| Income tax expense | 511 | (1,228) | - | (1,228) |
| (Loss)/Profit after taxation | (711) | (16,866) | 40 | (432,715) |



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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 ----- > | |
|--|---------------------------|------------------------------|---------------------|-----------------------------|------------------------------|
| | 31 December 2014 | As at 31 December 2013 | 31 December 2013 | 31 December 2014 | As at 31 December 2013 |
| | RMB'000 | RMB'000 (Restated) | RMB'000 | RMB'000 | RMB'000 |
| Non-current assets | | | | | |
| Property, plant and equipment | 205,764 | 47,176 | 47,176 | - | - |
| Intangible assets | 769 | 7,831 | 7,831 | - | - |
| Investments in subsidiaries | - | - | - | 52,282 | 3,251 |
| | 206,533 | 55,007 | 55,007 | 52,282 | 3,251 |
| Current assets | | | | | |
| Inventories | 47,611 | 12,041 | 12,041 | - | - |
| Trade receivables | 132,275 | 67,637 | 67,637 | 2,054 | - |
| Prepayments and other receivables | 222,701 | 3,710 | 3,663 | - | - |
| Cash and cash equivalents | 23,025 | 10,614 | 9,986 | 130 | 137 |
| | 425,612 | 94,002 | 93,327 | 2,184 | 137 |
| Disposed group classified as held-for-sale (Note A) | 151,486 | - | - | - | - |
| Total assets | 783,631 | 149,009 | 148,334 | 54,466 | 3,388 |
| Current liabilities | | | | | |
| Trade payables | 58,365 | 24,496 | 24,496 | - | - |
| Other payables and accruals | 174,220 | 25,629 | 22,979 | 40,015 | 26,858 |
| Compensation payable – current portion | - | 17,400 | 17,400 | - | - |
| Amount due to ex-shareholder | 2,710 | 2,710 | 2,701 | 2,701 | 2,701 |
| Bank loans | - | 7,766 | 7,766 | - | - |
| Tax payables | 38,578 | 1,182 | 1,182 | - | - |
| | 273,873 | 79,183 | 76,524 | 42,716 | 29,559 |
| Net current assets/(liabilities) | 151,739 | 14,819 | 16,803 | (40,532) | (26,171) |
| Non-current liabilities | | | | | |
| Compensation payable | - | 69,730 | 69,730 | - | - |
| Bank loans | - | 1,597 | 1,597 | - | - |
| Bonds payable | 231,000 | - | - | - | - |
| Non-equity linked bonds | 50,835 | - | - | 50,835 | - |
| Other payables | 39,009 | - | - | - | - |
| | 320,844 | 71,327 | 71,327 | 50,835 | - |
| Liabilities directly associated with disposed group classified as held-for-sale (Note A) | 138,940 | - | - | - | - |
| Net assets | 49,974 | (1,501) | 483 | (39,085) | (26,171) |
| Equity | | | | | |
| Share capital | 19,220 | 19,220 | 19,220 | 19,220 | 19,220 |
| Reserves | (2,080) | (20,721) | (18,737) | (58,305) | (45,391) |
| Total attributable to equity holders of the company | 17,140 | (1,501) | 483 | (39,085) | (26,171) |
| Non-controlling interest | 32,834 | - | - | - | - |
| Total equity | 49,974 | (1,501) | 483 | (39,085) | (26,171) |



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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 31 December 2014 | | As at 31 December 2013 | |
|------------|------------------------|-----------|------------------------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| Bank Loans | 10,000* | - | 7,766 | - |

Amount repayable after one year

| RMB '000 | As at 31 December 2014 | | As at 31 December 2013 | |
|---------------|------------------------|-----------|------------------------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| Bonds payable | - | 231,000 | - | - |
| Bank Loans | - | - | 1,597 | - |

Bonds payable comprise of (1) Issuance of RMB180 million, 10% unsecured SME tradable bond by our subsidiary, Xuzhou Zhongwei New Board Co., Ltd (formerly known as Xuzhou Zhongsen New Board Co., Ltd), quoted on Shanghai Stock Exchange due on 28 March 2016 and (2) a 7% unsecured bond of RMB51 million provided by Li Yaxin, an independent third party PRC investor.

Details of any collateral

* The Group's interest-bearing bank borrowings amounting to RMB10 million, which has been included in liabilities held-for-sale, are secured by the pledge of certain of the Group's property, plant and equipment and guarantees provided by Mr Lin Daoqin.

Note A: Assets and liabilities held-for-sale

Pursuant to the shareholders' circular dated 9 January 2015 in relation to the sale and purchase agreement dated 19 September 2014 entered into between the Company, the Purchaser and Lin Daoqin in relation to the disposal of 100% of the share capital of Qianfeng International Limited ("QIL") by the Company to Chengde Industrial Co., Limited (the "Purchaser") (the "Proposed Disposal") for an aggregate consideration of S\$2.4 million. The Proposed Disposal was approved by the shareholders of the Company on 2 February 2015, with effect from 3 February 2015.

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As at 31 December 2014, substantially all of the assets and liabilities in QIL and its subsidiaries were reclassified to assets and liabilities held-for-sale which comprises as follows:-

| | <u>RMB,000</u> |
|--|----------------|
| Assets reclassified as held-for-sale: | |
| - Property, plant and equipment | 37,633 |
| - Intangible assets | 7,649 |
| - Inventories | 11,043 |
| - Trade receivables | 88,016 |
| - Prepayments & other receivables | 2,590 |
| - Cash and cash equivalents | 4,554 |
| | <u>151,485</u> |
| Liabilities reclassified as held-for-sale: | |
| - Trade payables | 42,024 |
| - Other payables and accruals | 16,201 |
| - Compensation payables – current portion | 17,400 |
| - Bank loans | 10,000 |
| - Compensation payables | 53,315 |
| | <u>138,940</u> |



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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.

Consolidated statement of cash flows for the Group

| | 4Q2014 RMB'000 | 4Q2013 RMB'000 | FY2014 RMB'000 | FY2013 RMB'000 |
|---|-------------------|-------------------|-------------------|-------------------|
| Cash flows from operating activities | | | | |
| Profit/(Loss) before taxation | 29,179 | 343 | 63,048 | (419,731) |
| Adjustments for: | | | | |
| Amortization of land use rights | 56 | 45 | 202 | 182 |
| Depreciation of property, plant and equipment | (534) | 1,319 | 16,617 | 8,327 |
| Provision for compensation to distributors/(written back) | - | - | - | (11,562) |
| Provision for minimum guaranteed royalty | - | - | - | - |
| Reversal of provision of minimum guaranteed royalty written back | - | 4,667 | - | - |
| Interest income | - | (48) | (15) | (1,088) |
| Interest expense | 26,589 | 460 | 30,347 | 2,155 |
| Operating profit/(loss) before working capital changes | 55,290 | 6,786 | 110,199 | (421,717) |
| (Increase)/ decrease in inventories | 80,050 | (2,158) | 98,393 | 3,833 |
| (Increase)/decrease in trade receivables | (10,745) | (25,323) | 7,119 | (17,403) |
| (Increase).decrease in prepayments and other receivables | (118,559) | (1,050) | (134,000) | (562) |
| Liability for compensation payables (Note A) | (222) | (292,885) | (16,415) | 87,130 |
| Increase/(decrease) in trade payables | 13,454 | 12,085 | (28,652) | 6,076 |
| (Decrease)/increase in accrued liabilities and other payables | (27,214) | 278,642 | (20,964) | 685 |
| Cash (used in)/generated from operations | (7,946) | (23,903) | 15,680 | (341,958) |
| Interest received | - | 48 | 15 | 1,088 |
| Interest paid | (10,259) | (460) | (14,017) | (2,155) |
| Current tax paid | (1,287) | (45) | (7,272) | (46) |
| Net cash (used in)/generated from operating activities | (19,492) | (24,360) | (5,594) | (343,071) |
| Cash flows from investing activities | | | | |
| Acquisition and construction of property, plant and equipment | - | (119) | - | (485) |
| Acquisition of associated company | 30 | - | - | - |
| Contribution by non-controlling interest | - | - | 31 | - |
| Net effect of cash flow on acquisition (Note B) | 12 | - | 19,455 | - |
| Loan advanced to associated company | - | - | (49,000) | - |
| Net cash used in investing activities | 42 | (119) | (29,514) | (485) |
| Cash flows from financing activities | | | | |
| Proceed from issue of non-equity linked bonds | - | - | 49,159 | - |
| Bank loans obtained/(Repayment of bank loans) | 21,893 | (20,197) | 3,543 | (28,402) |
| Amount due to a director/shareholder | - | 2,701 | - | 2,701 |
| Net cash (used in)/generated from financing activities | 21,893 | (17,496) | 52,702 | (25,701) |
| Net (decrease)/increase in cash and cash equivalents | 2,443 | (41,975) | 17,594 | (369,257) |
| Cash and cash equivalents at beginning of the financial period | 25,137 | 51,961 | 9,986 | 379,243 |
| Cash and cash equivalents at the end of the financial period | 27,580 | 9,986 | 27,580 | 9,986 |



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Note A

| | <u>RMB'000</u> |
|---|----------------|
| Liability for compensation expenses | 424,580 |
| Amount settled in cash – September 2013 | (300,000) |
| | 124,580 |
| Set-off against trade receivables in 4Q2013 | (37,450) |
| Compensation payables as at 31 December 2013 | 87,130 |
| Set-off against trade receivables in 2014 | (16,415) |
| Compensation payables as at 31 December 2014 | 70,715 |
| Disclosed in Liabilities held-for-sale as: | |
| Current liabilities | 17,400 |
| Non-current liabilities | 53,315 |
| | 70,715 |

Note B

On 12 June 2014, 18 June 2014, 25 June 2014, 27 June 2014 and 3 July 2014, the Company announced the acquisition of China Construction Material (Hong Kong) Limited ("CCMH") by Rich Circles Enterprise Limited ("Rich Circles"), a 49% owned associated company of the Company. CCMH is the legal and beneficial owner of 100% of the registered capital of Zhongchuang (Xuzhou) Construction Material Co., Ltd. ("Xuzhou Zhongchuang"), a company incorporated on 1 July 2013 under the laws of the People's Republic of China ("PRC"). Xuzhou Zhongchuang is the legal and beneficial owner of 100% of the registered capital of Xuzhou Zhongsen Tonghao New Board Co., Ltd ("Xuzhou Zhongsen"), a company incorporated on 14 November 2007 under the laws of the PRC. On 7 August 2014, the Company announced a change to the board composition of CCMH and Xuzhou Zhongsen to enable the Company to have majority control over the operations of CCMH and Xuzhou Zhongsen. Therefore, it is deemed appropriate to consolidate the results of the group comprising Rich Circles, CCMH and its subsidiaries (the "RC Group") into the Group's financial statements.

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

| | <u>RMB,000</u> |
|---|----------------|
| Property, plant and equipment | 207,900 |
| Intangible asset | 788 |
| Inventories | 145,006 |
| Trade and other receivable | 247,402 |
| Cash and cash equivalents | 19,485 |
| Trade and other payables | (259,051) |
| Tax payable | (24,573) |
| Other financial liabilities | (37,779) |
| Bond payables | (280,000) |
| | 19,178 |
| Less: Contribution from non-controlling interest | (31) |
| Net assets acquired attributable to equity holders of the company | 19,147 |
| Net effect of cash flow on acquisitions | |
| Consideration paid | (30) |
| Cash and cash equivalents acquired | 19,485 |
| Net cash inflow from acquisition | 19,455 |



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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

The Group

| | Share Capital | Contributed Surplus | Share Premium | Capital Reserve | Share Option Reserve | Merger Reserve | Statutory Reserve | Retained Earnings | Other reserve | Total attributable to holders of equity 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 2013 | 192,203 | - | 65,466 | 4,230 | 1,224 | (64,889) | 45,303 | 177,905 | - | 421,442 | - | 421,442 |
| Credit arising from the Capital Reorganization exercise undertaken by the Company (see details in Section 1(d)(ii)) | (172,983) | 172,983 | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | - | (420,959) | - | (420,959) | - | (420,959) |
| Balance at 31 December 2013 (Audited) | 19,220 | 172,983 | 65,466 | 4,230 | 1,224 | (64,889) | 45,303 | (243,054) | - | 483 | - | 483 |
| Balance at 1 January 2014 | 19,220 | 172,983 | 65,466 | 4,230 | 1,224 | (64,889) | 45,303 | (243,054) | - | 483 | - | 483 |
| Prior year's adjustment Restated | - | - | - | - | - | - | - | (1,984) | - | (1,984) | - | (1,984) |
| | 19,220 | 172,983 | 65,466 | 4,230 | 1,224 | (64,889) | 45,303 | (245,038) | - | (1,501) | - | (1,501) |
| Capital contribution | - | - | - | - | - | - | - | - | - | - | 31 | 31 |
| Being written off of share option granted to ex-CFO upon expiration of option | - | - | - | - | (1,224) | - | - | - | - | (1,224) | - | (1,224) |
| Negative goodwill arising from the acquisition of Rich Circle Enterprise Limited | - | - | - | - | - | - | - | - | 4,161 | 4,161 | 4,332 | 8,493 |
| Total comprehensive income for the year | - | - | - | - | - | - | - | 15,704 | - | 15,704 | 28,471 | 44,175 |
| Balance at 31 December 2014 (Unaudited) | 19,220 | 172,983 | 65,466 | 4,230 | - | (64,889) | 45,303 | (229,334) | 4,161 | 17,140 | 32,834 | 49,974 |



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Statement of changes in equity for the Company

| The Company | Share Capital | Contributed Surplus | Share Premium | Capital Reserve | Share Reserve | Option | Retained Earnings | Total Equity |
|---|----------------|---------------------|----------------|-----------------|----------------|--------|-------------------|-----------------|
| | <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 2013 | 192,203 | - | 51,500 | 3,014 | 1,224 | | (70,390) | 177,551 |
| Credit arising from the Capital Reorganization exercise undertaken by the Company (see details in Section 1(d)(ii)) | (172,983) | 172,983 | - | - | - | | - | - |
| Total comprehensive income for the period | - | - | - | - | - | | (203,722) | (203,722) |
| Balance at 31 December 2013 (Audited) | 19,220 | 172,983 | 51,500 | 3,014 | 1,224 | | (274,112) | (26,171) |
| Balance at 1 January 2014 | 19,220 | 172,983 | 51,500 | 3,014 | 1,224 | | (274,112) | (26,171) |
| Being written off of share option granted to ex-CFO upon expiration of option | - | - | - | - | (1,224) | | - | (1,224) |
| Total comprehensive income for the period | - | - | - | - | - | | (11,690) | (11,690) |
| Balance at 31 December 2014 (Unaudited) | 19,220 | 172,983 | 51,500 | 3,014 | - | | (285,802) | (39,085) |



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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.**

Not applicable.

- 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, excluding treasury shares as at 31 December 2014 was 548,802,638 (31 December 2013: 548,802,638 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 year ended 31 December 2014 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).**

The figures have not been audited or reviewed by the auditors. In the course of their audit for the financial year ended 31 December 2014, the auditors have informed the Company that there may be qualifications in respect of the restriction of access to the accounting records and information by the new management of the business carried on by Qianfeng International Limited and its subsidiaries (namely, Fujian Qianfeng Textile Technology Co. Ltd. and Fujian Jiamei Textile Company Limited.) (the "**Disposed Group**"), further to the completion of the disposal of the Disposed Group by the Company on 3 February 2015. However, the auditors are unable to firm up the type of qualifications as discussion is still on-going between the management and the auditors. In addition, the Company foresees challenges in the timely completion of the statutory audit due to unforeseen circumstances such as the hospitalization of key accounting staff during the audit process. While the Company is currently working closely with the auditors to expedite the audit process, should there be any delay ultimately, the Company will apply for an extension of the timeline to the relevant authorities and update its Shareholders accordingly.

As required under Rule 704(5) of the SGX-ST Listing Manual, the Company will also be making the necessary announcements to inform Shareholders about any such qualifications as and when the audit report for the financial year ended 31 December 2014 is issued.



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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 2014.

The accounting policies and methods of computation are consistent with the latest audited financial statements for the year ended 31 December 2013 except as stated in paragraph 5 below.

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.

The adoption of certain new/revised accounting standards effected on 1 January 2014 has no significant impact on the Group's result of operations.

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.

| | FY2014 | FY2013 |
|---|--------|---------|
| Basic losses 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 | 2.86 | N/A |
| - Fully diluted | 2.86 | N/A |
| From discontinued operations attributable to the equity holders of the Company: | | |
| - Based on the weighted average number of ordinary shares in issue | 0.01 | (76.71) |
| - Fully diluted | 0.01 | (76.71) |

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 | |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | 31 December 2014 | 31 December 2013 | 31 December 2014 | 31 December 2013 |
| Net asset value per ordinary share | 3.12 | 0.09 | (7.12) | (4.77) |

Note:-

Net asset value per ordinary share of the Group/Company was calculated based on the 548,802,638 shares in issue at the end of both years.



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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

| | 4Q2014 | 4Q2013 | % Change | FY2014 | FY2013 | % Change |
|-----------------------------------|----------|---------|-------------|---------|---------|----------|
| | RMB'000 | RMB'000 | + / (-) | RMB'000 | RMB'000 | + / (-) |
| Revenue – Fabrics: | | | | | | |
| Sales | 23,613 | 63,420 | (62.8) | 127,798 | 155,468 | (17.8) |
| Gross profit | 63 | 13,796 | (99.5) | 13,205 | 20,567 | (35.8) |
| Gross profit margin | 0.27% | 21.8% | | 10.3% | 13.2% | |
| Revenue – New Materials: | | | | | | |
| - Magnesium multifunctional board | 291,310 | | | 413,170 | | |
| - Decorative board | (12,100) | | | 357 | | |
| - Aluminium products | 32,504 | | | 32,504 | | |
| Total | 311,714 | | | 446,031 | | |
| Gross profit | 68,836 | | | 114,299 | | |
| Gross profit margin | 22.08% | | | 25.63% | | |

Review of Financial Performance

Fabric Business Operated by QIL and its subsidiaries ("Fabric Business"):

Refer to Note 4 to Para 1(a)(ii)

Pursuant to the shareholders' circular dated 9 January 2015 in relation to the sale and purchase agreement dated 19 September 2014 entered into between the Company, the Purchaser and Lin Daoqin in relation to the disposal of 100% of the share capital of Qianfeng International Limited ("QIL") by the Company to Chengde Industrial Co., Limited (the "Purchaser") (the "Proposed Disposal") for an aggregate consideration of S\$2.4 million. The Proposed Disposal was approved by the shareholders of the Company on 2 February 2015, with effect from 3 February 2015.

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.

For 4Q2014, Fabric Business generated total sales of RMB23.6 million, a decrease of RMB39.8 million or 62.8%, as compared to RMB63.4 million in last corresponding period due mainly to declining demands of our fabric products as our ultimate customers are PRC sportswear manufacturers. These ultimate customers were facing with overstocking position and sluggish demand in both domestic and overseas markets.

Annual sales for FY2014 of RMB127.8 million, declined by RMB27.7 million or 17.8% as compared to FY2013's annual sales of RMB155.5 million was due to the abovementioned explanations.

Gross profit margin has decreased drastically to 0.27% and 10.3% for 4Q2014 and FY2014, respectively compared to 21.8% and 13.2% for the same corresponding period/year due mainly to falling products' pricing as well as fixed costs resulted from excess production capacity.

No or little other income occurred for 4Q2014 and FY2014 while higher other incomes for 4Q2013 and FY2013 relate mainly to written back of over-provision made for compensation as a result of termination of partnership with Goodyear Inc..



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In 4Q2014 and FY2014, both selling and distribution, and administrative expenses, were lower than that of 4Q2013 and FY2013 due largely to lower business activities.

The other operating expenses incurred in 4Q2013 and FY2013 was due to the compensation claims as a result of products delivered that failed to meet customers’ specified requirements. There was no such incident in 4Q2014 and FY2014.

Lower finance costs in 4Q2014 and FY2014 were due to lesser outstanding borrowings during the period/year.

Consequently, the fabric business made a loss amounting to RMB711,000 and a profit of RMB40,000 for 4Q2014 and FY2014, respectively.

New Materials Business Operated by the RC Group (“New Materials Business”):

(a) **Magnesium Multifunctional Board**

Magnesium Multifunctional Board is a basic and core Magnesium Chloride-based product which is used in the production of other products. Magnesium Multifunctional Board can be nailed, sawed, drilled, and planed while being environmental friendly, waterproof, fireproof, soundproof and not easy to deform with integration capabilities. Magnesium Multifunctional Board can be used in ceiling panels, wall panels, insulation board, fireproof board, and waterproof board. Magnesium Multifunctional Boards can be either directly sold to customers or further processed to produce other building and decoration materials.

(b) **Floor and grainy board**

Floor and grainy board is produced by further processing of the Magnesium Multifunctional Board. These include geothermal dedicated flooring and titanium flooring. Geothermal dedicated flooring has characteristics such as being environmental friendly, fire and water proof, not easy to deform, and able to withstand wear, scratch and stain. It is wear-proof in accordance with the relevant national standards in the PRC. Titanium flooring is fireproof, waterproof, resists deformation, and has comprehensive environmental characteristics. Its paint surface is able to withstand wear, scratch, stain and integration performance, and it can be used as decorative panels for, *inter alia*, home, hotels, and office floors.

(c) **Decorative board**

Decorative boards are produced by processing the Magnesium Multifunctional Boards with various surfaces, such as by coating the surfaces of Magnesium Multifunctional Boards with aluminium or magnesium products. Decorative boards processed with certain metals may be aesthetically pleasing with vein lines and grains resembling marble, granite or wood. Such decorative boards are also environmentally friendly, waterproof, fireproof, and resistant to deformation, wear, scratches, and stains. Based on different surface treatments, decorative boards may be widely used for cabinets and other kinds of interior and exterior décor.



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(d) *Aluminium products*

Aluminium products are aluminium plates with various customized designs and colors that are incorporated using printing technology. These products are produced with transfer printing technology, which can allow the final product to look like natural materials, such as marble and granite. Aluminium panels have fire safety, insulation, energy-saving, environmental-friendliness and other functions, and can be widely used in energy efficient building facades and wall decorations with a product life of up to 30 years. At the end of the product life cycle, after removal from buildings, through the separation and recycling technologies, the aluminium can be re-used, in the interests of the environment. Products made with nano-glaze aluminium coating are eco-friendly, non-toxic and able to withstand light, scratches, corrosion, and extreme temperatures. Aluminium products can be either sold as finished goods or used with Magnesium Multifunctional Boards to produce decorative boards.

Our subsidiary, Xuzhou Zhongwei New Board Co., Ltd ("Zhongwei") had achieved sales amounting to RMB311.7 million for 4Q2014 and total sales amounting to RMB446.0 million since the Company acquired the New Materials Business. Except for the Decorative board, all categories enjoyed increases in sales for 4Q2014 due mainly to greater acceptance of our products from both existing and new customers. The negative figure for Decorative board was due to wrong classification in last quarter ended 30 September 2014.

Gross profit margins for 4Q2014 and FY2014 were 22.08% and 25.63%, respectively, as compared to 33.8% in 3Q2014. The reason for the declined margin was due to the request by customers to include layers of mesh into the magnesium multifunctional board without increasing the selling prices due to goodwill and the establishment of long-term relationship with customers.

Other income relates mainly to sales of scrap materials for both 4Q2014 and FY2014, while the higher other income for last corresponding period and last FY2013 was due to written back of over-provision made for compensation as a result of termination of partnership with Goodyear Inc. as well as interest income earned.

The selling and distribution expenses relate mainly to transportation costs for the deliveries of our products. The administrative expenses relate mainly to listing, corporate and statutory expenses, professional fees, office and travelling expenses.

Finance costs comprise of interests arose mainly from the issuance of RMB180 million, 10% unsecured SME tradable bond quoted on Shanghai Stock Exchange, 7% unsecured bonds of RMB51 million and S\$10 million provided by third party PRC investors.

Higher income tax expenses was due to higher profits earned by Zhongwei for 4Q2014 and FY2014.

The other comprehensive income relates to share option reserve, in conjunction with the option granted to ex-CFO, written off upon the expiration of the grant



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- (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

Property, plant and equipment were RMB205.8 million and RMB47.2 million as at 31 December 2014 ("FY2014") and 31 December 2013 ("FY2013") respectively. The property, plant and equipment for Fabric Business amounting to RMB37.6 million (FY2013: RMB47.2 million) have been classified as assets held-for-sale in FY2014 while the breakdowns of property, plant and equipment for New Materials Business are as follows:-

| | <i>RMB'000</i> |
|--------------------------|----------------|
| Buildings | 62,257 |
| Machineries | 162,047 |
| Office equipment | 275 |
| Motor vehicle | 223 |
| Construction-in-progress | 20,699 |
| | <hr/> 245,501 |
| Accumulated depreciation | (39,738) |
| | <hr/> 205,763 |

Intangible assets were RMB0.8 million and RMB7.8 million as of FY2014 and FY2013 respectively. The intangible assets for Fabric Business amounting to RMB7.6 million (FY2013: RMB7.8 million) have been classified as assets held-for-sale in FY2014 while balance shown as of FY2014 relates to land use rights for New Materials Business.

Inventories were RMB47.6 million and RMB12.0 million as of FY2014 and FY2013 respectively. The inventories for Fabric Business amounting to RMB11.0 million (FY2013: 12.0 million) have been classified as assets held-for-sale in FY2014 while the breakdowns of inventories for New Materials Business are as follows:-

| | <i>RMB'000</i> |
|----------------|----------------|
| Raw materials | 43,876 |
| Finished goods | 3,735 |
| | <hr/> 47,611 |

The average inventory turnover days for New Materials Business is 68 days for FY2014. The ageing analysis of the inventories for New Materials Business as of 31 December 2014 are as follows:-

| | <i>RMB'000</i> |
|----------------------|----------------|
| Less than 90 days | 45,025 |
| 91 days to 180 days | 289 |
| 181 days to 360 days | 1,461 |
| More than 360 days | 836 |
| | <hr/> 47,611 |



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Trade receivables were RMB132.3 million and RMB67.6 million as of FY2014 and FY2013 respectively. The trade receivables for Fabric Business amounting to RMB88.0 million (FY2013: 67.6 million) have been classified as assets held-for-sale in FY2014 while the ageing analysis of trade receivables for New Materials Business are as follows:-

| | <i>RMB'000</i> |
|------------------------------|----------------|
| Less than 60 days | 62,646 |
| 61 days to 120 days | 19,951 |
| More than 120 days | 54,399 |
| | <hr/> 136,996 |
| Provision for doubtful debts | (4,721) |
| | <hr/> 132,275 |

The average receivables turnover days for New Materials Business is 72 days for FY2014.

Prepayment and other receivables were RMB222.7 million and RMB3.7 million as of FY2014 and FY2013 respectively. The prepayment and other receivables for Fabric Business amounting to RMB2.6 million (FY2013: 3.7 million) have been classified as assets held-for-sale in FY2014 while the breakdowns of prepayment and other receivables for New Materials Business are as follows:-

| | <i>RMB'000</i> |
|-------------------|----------------|
| Advances paid | 80,066 |
| Deposit paid | 680 |
| Other receivables | 141,955 |
| | <hr/> 222,701 |

Trade payables were RMB58.4 million and RMB24.5 million as of FY2014 and FY2013 respectively. The trade payables for Fabric Business amounting to RMB42.0 million (FY2013: 24.5 million) have been classified as assets held-for-sale in FY2014 while the ageing analysis of trade payables for New Materials Business are as follows:-

| | <i>RMB'000</i> |
|---------------------|----------------|
| Less than 60 days | 3,525 |
| 61 days to 120 days | 24 |
| More than 120 days | 16,816 |
| | <hr/> 20,365 |
| Bills payable | 38,000 |
| | <hr/> 58,365 |

The average payables turnover days for New Materials Business is 88 days for FY2014.



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Other payables and accruals were RMB174.2 million and RMB23.0 million as of FY2014 and FY2013 respectively. The other payables and accruals for Fabric Business amounting to RMB16.2 million (FY2013: 23.0 million) have been classified as assets held-for-sale in FY2014 while the breakdowns of other payables and accruals for New Materials Business are as follows:-

| | RMB'000 |
|------------------|---------------------|
| Deposits paid | 15,836 |
| Accrued expenses | 55,519 |
| Other payables | 102,864 |
| | <hr/> 174,219 <hr/> |

Amount due to a ex-shareholder relates to expenses paid on behalf for the Company.

Bank loans were Nil and RMB7.8 million as of FY2014 and FY2013 respectively. Bank loans for Fabric Business amounting to RMB10.0 million (FY2013: RMB7.8 million) have been classified as assets held-for-sale in FY2014.

Compensations payables amounting to RMB70.7 million (current portion - RMB17.4 million and non-current portion - RMB53.3 million) for Fabric Business have been classified as assets held-for-sale in FY2014.

Tax payables amounting to RMB38.6 million relate solely to New Materials Business.

Bond payables comprise of (1) Issuance of RMB180 million, 10% unsecured SME tradable bond, by our subsidiary, Xuzhou Zhongwei New Board Co., Ltd (formerly known as Xuzhou Zhongsen New Board Co., Ltd), quoted on Shanghai Stock Exchange due 28 March 2016 and (2) a 7% unsecured bond of RMB51 million provided by Li Yuhuan, an independent third party PRC investor.

Pursuant to the Company's announcement dated 9 June 2014, the Company had entered into a bond subscription agreement with a third party subscriber for the issuance of S\$10 million, 7% **unsecured non-equity linked bonds**, due 2016 (the "**Bonds**"). The subscriber had also on 9 June 2014 subscribed for the Bonds at the aggregate subscription price of S\$10 million.

Other payable relates to a sale-and-leaseback arrangement with a local bank.

Review of Cash Flow

Net cash generated from operating activities

The Group achieved profit before tax of RMB29.2 million (4Q2013: RMB343,000) and negative cash flow from operating activities of RMB19.5 million (4Q2013: RMB24.4 million) for 4Q2014 due mainly to cash flow tied in receivables.

The Group's cash inflow from investing activities, relating mainly to net effect of cash flow on acquisition of RC Group, amounting to RMB42,000 (4Q2013: cash outflow of RMB119,000) and cash inflow from financing activities of RMB21.9 million due primarily to new loans obtained during the quarter (4Q2013: cash outflow of RMB17.5 million).

The net increases in cash and cash equivalents were RMB2.4 million and RMB17.6 million, in 4Q2014 and FY2014, respectively.



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

Not applicable.

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.**

Acquisition of the CCMH Group

The Company had on 18 June 2014 through its 49% owned associated company Rich Circles Enterprise Limited, completed the acquisition of 100% of the issued and paid up share capital of CCMH. As announced by the Company on 7 August 2014, the Company had on 6 August 2014 appointed Neo Chee Beng and Yuan Limin to the Board of CCMH and its 100% owned operating unit Xuzhou Zhongsen, and has the majority control of the Board of both CCMH and Xuzhou Zhongsen. The appointments has enabled the Company to have greater control over the operations of the newly acquired business. The financial performance of this newly acquired New Materials Business, had contributed significantly to the Group's improved financial performance in Q3 2014.

We are cautiously optimistic that this new business will continue to contribute positively to the financial position of the Company and its subsidiaries.

Proposed Disposal

Pursuant to the shareholders' circular dated 9 January 2015 in relation to the sale and purchase agreement dated 19 September 2014 entered into between the Company, the Purchaser and Lin Daoqin in relation to the disposal of 100% of the share capital of Qianfeng International Limited by the Company to Chengde Industrial Co., Limited (the "Purchaser") (the "Proposed Disposal") for an aggregate consideration of S\$2.4 million. The Proposed Disposal was approved by the shareholders of the Company on 2 February 2015, with effect from 3 February 2015.

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.

With the disposal of the existing Fabric Business, the Company will concentrate and continue operating with the New Materials Business of the RC Group acquired in June 2014.

The Company will continue to undertake a strategic review to examine the options regarding the restructuring of its business.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.



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(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been recommended.

13. Interested person transactions

As announced on 25 September 2013, Mr Lin Daoqin has provided an undertaking to the Company to provide, on demand by the Company, loan of up to RMB100 million to support the financial position of the Company.

Save as disclosed in paragraph 1(b)(ii) and above, the joint and several guarantees provided by our Executive Director Mr Lin Daoqin to our Group, there are no any other interested person transactions.

14. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13), we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.



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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business Segment

| | New Materials RMB'000 | Dyeing & post- processi ng of loom- state fabrics* RMB'000 | Weaving of loom- state fabrics* RMB'000 | Down- streaming & Others RMB'000 | Elimination RMB'000 | Total RMB'000 |
|----------------------------------|-----------------------------|---|---|--|------------------------|------------------|
| FY2012 | | | | | | |
| Turnover | | | | | | |
| Sales to external parties | 466,031 | 127,798 | - | - | - | 573,829 |
| Inter-segment sales | - | - | 7,304 | - | (7,304) | - |
| Consolidated sales | 466,031 | 127,798 | 7,304 | - | (7,304) | 573,829 |
| Segment results | 105,887 | 4,066 | (4,096) | (11,239) | - | 94,619 |
| Interest income | - | - | - | - | - | - |
| Finance costs | (29,965) | (547) | - | 165 | - | (30,347) |
| Loss before income tax expense | 75,921 | 3,520 | (4,096) | (11,074) | - | 64,272 |
| Income tax expense | (20,096) | - | - | - | - | (20,096) |
| Loss for the year | 55,825 | 3,520 | (4,096) | (11,074) | - | 44,175 |
| Total segment assets | 631,954 | 142,359 | 96,321 | 397,331 | (484,334) | 783,631 |
| Total segment liabilities | 567,575 | 199,171 | 15,268 | 199,587 | (247,945) | 731,657 |
| Other information | | | | | | |
| Depreciation | 7,265 | 6,273 | 3,079 | - | - | 16,617 |
| Amortisation | 12 | 122 | 59 | - | - | 193 |

* These segments were included as (loss)/profit from discontinued operations in the income statements



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Business Segment (Continued)

| | Dyeing & post- processing of loom- state fabrics RMB'000 | Weaving of loom- state fabrics RMB'000 | Garment RMB'000 | Down- streaming & Others RMB'000 | Elimination RMB'000 | Total RMB'000 |
|---|--|--|--------------------|--|------------------------|------------------|
| FY2012 | | | | | | |
| Turnover | | | | | | |
| Sales to external parties | 155,468 | - | - | - | - | 155,468 |
| Inter-segment sales | - | 46,996 | - | - | (46,996) | - |
| Consolidated sales | 155,468 | 46,996 | - | - | (46,996) | 155,468 |
| Segment results | (427,816) | 3,637 | - | 5,515 | - | (418,664) |
| Interest income | 880 | 208 | - | - | - | 1,088 |
| Finance costs | (2,155) | - | - | - | - | (2,155) |
| Loss before income tax expense | (429,091) | 3,845 | - | 5,515 | - | (419,731) |
| Income tax expense | - | (1,228) | - | - | - | (1,228) |
| Loss for the year | (429,091) | 2,617 | - | 5,515 | - | (420,959) |
| Total segment assets | 141,953 | 101,175 | - | 340,643 | (435,437) | 148,334 |
| Total segment liabilities | 200,421 | 15,909 | - | 177,805 | (240,284) | 147,851 |
| Other information | | | | | | |
| Capital expenditure | 485 | - | - | - | - | 485 |
| Depreciation | 6,229 | 2,098 | - | - | - | 8,327 |
| Amortisation | 122 | 59 | - | - | - | 181 |
| Compensation payable (out of which RMB300 million was paid during the year) | 424,580 | - | - | - | - | 424,580 |

Geographical Segment

As the business of the group is engaged entirely in PRC, including Hong Kong, a Special Administrative Region (SAR), no reporting by geographical location of operations is presented.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable



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17. A breakdown of sales.

| | FY2014 RMB'000 | FY2013 RMB'000 | Change % |
|--|-------------------|-------------------|-------------|
| (a) Sales reported for the 1 st half year | | | |
| - Continuing operations | - | - | |
| - Discontinued operations | 70,973 | 55,428 | 28.0 |
| (b) Operating profit/(loss) after tax reported for the 1 st half year | | | |
| - Continuing operations | - | - | |
| - Discontinued operations | 126 | (456,482) | N/A |
| (c) Sales reported for the 2nd half year | | | |
| - Continuing operations | 446,031 | - | N/A |
| - Discontinued operations | 56,825 | 100,040 | (43.2) |
| (d) Operating profit/(loss) after tax reported for the 2nd half year | | | |
| - Continuing operations | 44,175 | - | N/A |
| - Discontinued operations | (86) | 35,523 | N/A |

*NA = Not applicable

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

BY ORDER OF THE BOARD

Neo Chee Beng
Executive Chairman

1 March 2015