

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

FINAL SETTLEMENT OF CONVERTIBLE BOND

*Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Company's announcements made on, inter alia, 5 March 2015, 16 March 2015, 27 March 2015, 31 March 2015, 7 July 2015, 2 September 2016, 10 March 2017 and 4 May 2017 (collectively, the "**Convertible Bond Announcements**").*

Further to the Convertible Bond Announcements, the Board wishes to announce that the Company has, on 8 June 2017, made full settlement of the principal amount of S\$2,660,000 of the Bonds, as well as all the interest accrued thereon up to the final settlement date of 8 June 2017. Subsequent to the aforementioned settlement, the Bonds will be returned to the Company for cancellation and the Investor (i.e. Alternus Capital Holdings Limited (BVI registration number: 1827854)) will hold no further claims against the Company.

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.

By Order of the Board

Chong Tin Yam, Alex
Executive Director and Chief Executive Officer
8 June 2017