

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

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**TERMINATION OF THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 85,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.112 (AN EQUIVALENT TO APPROXIMATELY HK\$0.65) FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

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*Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Announcement (as defined hereinafter).*

The Board refers to the announcement dated 11 December 2017 (the “**Announcement**”) in relation to the Rights Issue.

The Company wishes to update shareholders that subsequent to the Announcement, the Company has received notices from the Undertaking Shareholders that they wish to terminate their Irrevocable Undertakings. Consequently, each of the Undertaking Shareholders and the Company have entered into Deeds of Termination on 10 April 2018 to terminate each of the respective Irrevocable Undertakings with effect from 10 April 2018.

Consequently, the Company has decided not to proceed with the Rights Issue.

In connection with the abovementioned termination of the Rights Issue, the Company shall, on or before 16 April 2018, make full refund to the Undertaking Shareholders of HK\$55.85 million in aggregate previously received from the Undertaking Shareholders in respect of their undertaking on the full subscription of their respective pro-rated entitlements to the Rights Shares and for any excess Rights Shares (where applicable), subject to availability, in pursuance of the Rights Issue, as referred to in the item titled “Deposits from undertaking shareholders” under Section 8(b) at page 16 of the Company’s 2Q2018 results announcement released on 14 February 2018.

The Company will keep its shareholders informed of any other fund raising initiatives in due course and announcements will be made as and when appropriate.

**BY ORDER OF THE BOARD**

**Wang Jie Yao, Airy**  
Executive Director and Chief Executive Officer  
10 April 2018