

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

APPLICATION FOR EXTENSION OF TIME FOR COMPLIANCE WITH RULE 707(1) AND RULE 707(2) OF THE LISTING MANUAL

The Board of Directors (“**Board**”) of the Company wishes to inform its shareholders that the Company has applied to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for an extension of time to hold its annual general meeting by 30 June 2015 (instead of 30 April 2015) to comply with Rule 707(1) of the Listing Manual, and for a corresponding extension of the time to issue its annual report to shareholders and the SGX-ST by 16 June 2015 (instead of 16 April 2015) to comply with Rule 707(2) of the Listing Manual.

Under Rule 707(1) of the Listing Manual, the time between the end of an issuer's financial year and the date of its annual general meeting must not exceed four (4) months. Under Rule 707(2) of the Listing Manual, an issuer must issue its annual report to shareholders and the SGX-ST at least fourteen (14) days before the date of its annual general meeting. As the financial year of the Company for 2014 has ended on 31 December 2014, the Company is required under Rule 707(1) of the Listing Manual to hold its annual general meeting by 30 April 2015, and is therefore required under Rule 707(2) of the Listing Manual to issue its annual report to shareholders and the Exchange by 16 April 2015.

The reasons for seeking the extensions of time under Rules 707(1) and 707(2) of the Listing Manual are as follows:

1. In relation to section 3 of the unaudited fourth quarter financial statement and dividend announcement for the full year ended 31 December 2014, dated 1 March 2015, the Company had indicated that possible delays in the audit process were expected, with an application for an extension to be followed should it be required.
2. The Company's Finance Manager (Chen Shuangping), who is one of the key accounting staff behind the audit process, was hospitalised for two (2) weeks towards the end of January 2015, and remained on medical leave for a further two (2) weeks. The Finance Manager is responsible for the overall accounting function of the Company, and his absence during this crucial period of time had a substantial effect on the timely preparation of audit schedules and the update of current financial data. The Cost Accountant (Yan Zhimei), another key accounting staff member, went on two (2) weeks' leave in February and soon thereafter resigned from the Company to address family matters in her hometown. Both the Finance Manager and the Cost Accountant are key personnel of the Company who are especially familiar with the audit process. The absence of these two key personnel has, to a significant degree, affected the collation of documents for audit purposes during this critical period. Furthermore, due to the urgency of the matter, the Company will unlikely be able to find, in time, adequate replacements familiar with the Company's audit process.
3. In light of the foregoing, the auditors will need additional time to complete the audit process, and to work with the management of the Company to finalise the financial statements. The Company anticipates that, as a result of this, it will not be able to prepare its annual report with the full audited financial results by 16 April 2015.

The Company will provide further updates on the outcome of the application to the SGX-ST in due course.

By Order of the Board

Neo Chee Beng
Executive Chairman
16 April 2015