

ASIA FASHION HOLDINGS LIMITED

(Company Registration No. 41195)

(Incorporated in Bermuda)

FURTHER CLARIFICATION ANNOUNCEMENT ON THE BUSINESS TIMES ARTICLE DATED 18 NOVEMBER 2014

The Board of Directors of Asia Fashion Holdings Limited (the "**Company**") refers to the Business Times Article dated 18 November 2014 titled "*Asia Fashion zooms in on materials business*" (the "**Article**") and the clarification announcement released on 18 November 2014 in respect of the Article ("**Clarification Announcement**").

Pursuant to Rule 703 of the Listing Manual of the Singapore Exchange Securities Trading Limited and further to the Clarification Announcement, the Company wishes to provide additional clarification to the following statements in the Article as follows:

1. Paragraph 7 of the Article provides that: "*The company has already sealed a contract with China's largest non-state owned petrochemical group, Ningxia Baota Petrochemical Group, to supply materials for the building of a petrol facility and a chain of petrol kiosks in China, and is currently in negotiations with multinational clean energy company Hanergy Holdings Group to supply materials for the building of its new plant. If this deal goes through, it will be the firm's biggest contract to date.*"

Further Clarification by Company:

In the Clarification Announcement, the Company announced that the CCMH Group had in January 2014 executed a contract (the "**Ningxia Contract**") with China's largest non-state owned petrochemical group, Ningxia Baota Petrochemical Group, to supply materials for the building of a petrol facility and a chain of petrol kiosks in China. Further to the Clarification Announcement, in accordance to the Ningxia Contract that was executed on 25 January 2014, the CCMH Group's delivery obligations are between 20 March 2014 and 25 January 2015. The value of the Ningxia Contract is estimated to be RMB 227 million. The Ningxia Contract is expected to contribute positively to the revenue and net profits of the CCMH Group and [the profits associated with the Ningxia Contract up until 30 September 2014 have already been incorporated into the Company's announcement dated 12 November 2014 on the Unaudited Third Quarter Financial Statement and Dividend Announcement for the Nine Months Ended 30 September 2014].

In the Clarification Announcement, the Company announced that the CCMH Group is currently in negotiations with multinational clean energy company Hanergy Holdings Group to supply materials for the building of its new plant. Further to the Clarification Announcement, although the value of the contract is expected to be significant should the agreements be signed, the Company is not able to commit to a determinative value or provide a determinative view on the size of the contract as negotiations between the parties are still ongoing.

2. Paragraph 8 of the Article provides that: *“But with capacity utilisation currently at 30 per cent, the company wants to expand this business further...”*

Further Clarification by Company:

The Company wishes to clarify that, based on (i) the CCMH Group’s current output of RMB 500 million worth of construction materials, and (ii) the CCMH Group’s estimated production capacity of RMB 1.5 billion worth of construction materials as set out in Slide 5 of the presentation slides released on 12 November 2014, the CCMH Group’s capacity utilisation is estimated to be at 30%.

By Order of the Board

Neo Chee Beng
Executive Chairman
19 November 2014