

VASHION GROUP LTD
(Company Registration Number: 199906220H)
(Incorporated in the Republic of Singapore)

Utilization of Proceeds for the Conditional Deposit

*Unless otherwise defined, the capitalized words and phrases used herein shall have the same meaning as ascribed to them in the announcement dated 14 December 2015 and 18 January 2016 (“**Announcements**”) in connection with the utilization of proceeds for the conditional deposit (“**Conditional Deposit**”) pursuant to the Conditional Deposit Agreement dated 9 July 2014 entered into between the Company and Industronics Berhad.*

The Board of Directors (the “**Board**”) of Vashion Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to provide an update that subsequent to the Announcement, the Company has during the period 18 January 2016 to the date of this announcement further utilized approximately S\$207,000 of the Conditional Deposit from Investor for settlement of operating expenses.

As at the date of this announcement, the Company has utilized the conditional deposit as follows:

	Amount utilized (S\$)	Percentage utilized (%)
Working capital		
- Professional fees (including, <i>inter alia</i> , external audit fees, internal audit fees, sponsorship fees, printing fees, fees for legal advisor, fees for Company Secretary)	976,000	39.04%
- Listing fees to SGX-ST	62,000	2.48%
- Operating expenses (including, <i>inter alia</i> , rental, staff salaries and others)	712,000	28.48%
- Repayment to Investor	704,000	28.16%
TOTAL	2,454,000	98.16%

As at the date of this announcement, the Company had repaid S\$1,466,812 to Investor. Please refer to announcements dated 5 February 2016 and 25 February 2016 for more details.

The use of proceeds as stated above is in accordance with the intended use as stated in the announcement dated 10 July 2014.

The Company will make periodic announcements on the further utilisation of the Conditional Deposit as and when it is materially disbursed, and will provide a status report on the use of the Conditional Deposit in its annual reports as may be required under the Catalist Rules.

By Order Of The Board

Christian Kwok-Leun Yau Heilesen

Executive Director

Dated: 19 May 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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