

EXTENSION OF CONDITIONAL DEPOSIT AGREEMENT

The Board of Directors of Vashion Group Limited (the “**Company**” and together with its subsidiaries the “**Group**”) refer to its earlier announcement on 10 July 2014 entitled “*Entry into Conditional Deposit Agreement*”, on 30 September 2014 entitled “*Extension of Conditional Deposit Agreement*” and on 31 December 2014 entitled “*Extension of Conditional Deposit Agreement*” (the “**Earlier Announcements**”). Unless otherwise defined, the capitalized words and phrases used herein shall have the same meaning as ascribed to them in the Earlier Announcements.

On 10 July 2014, the Board announced that the Company has entered into a Conditional Deposit Agreement dated 9 July 2014 with Industronics Berhad (the “**Investor**”). Under the terms of the Conditional Deposit Agreement, the Investor agreed to deposit a sum of S\$2,500,000 or equivalent (the “**Deposit**”) with the Company or a subsidiary in the Group (the “**Deposit**”). In consideration of the foregoing, the Company has agreed to enter into a placement agreement (“**Placement Agreement**”) with the Investor to issue to the Investor such number of ordinary shares in the Company (“**Placement Shares**”), at such price and on such terms as shall be agreed and documented in the Placement Agreement, subject to the aggregate subscription amount in the Placement Agreement not being less than the Deposit (“**Proposed Placement**”).

Salient terms of the Conditional Deposit Agreement:

- The Conditional Deposit Agreement is valid till 30 September 2014 (the “**Period**”) and may be extended by mutual agreement between the Company and the Investor.
- If no Placement Agreement is entered into between the Parties on or before 30 September 2014, the entire amount of the Deposit shall be refunded to the Investor within 7 days after such date, without any interest accrued.
- The Proposed Placement shall be conditional upon the resumption of trading in the ordinary shares of the Company (“**Shares**”) on the Catalist Board of the SGX-ST (“**Catalist Board**”), and if required by the rules for the time being of the SGX-ST, also conditional upon the approval of shareholders of the Company.

Pursuant to the Conditional Deposit Agreement, the Investor has on 16 July 2014 deposited S\$2.5 million into the Company’s subsidiary bank account in Hong Kong.

Pursuant to a supplemental to the Conditional Deposit Agreement dated 30 September 2014 (the “**Supplemental Conditional Deposit Agreement**”) entered into by the Company with the Investor, the Company and the Investor have agreed to extend the Period to on or before 31 December 2014.

Pursuant to a 2nd supplemental to the Conditional Deposit Agreement dated 31 December 2014 (the “**2nd Supplemental Conditional Deposit Agreement**”) entered into by the Company with the Investor, the Company and the Investor have agreed to extend the Period to on or before 31 March 2015.

The Board wishes to announce that it has entered into a 3rd supplemental agreement with the Investor on 31 March 2015. Pursuant to a 3rd supplemental to the Conditional Deposit Agreement dated 31 March 2015 (the “**3rd Supplemental Conditional Deposit Agreement**”) entered into by the Company with the Investor, the Company and the Investor have agreed to extend the Period to on or before 30 June 2015.

For avoidance of doubt, Conditional Deposit Agreement, Supplemental Conditional Deposit Agreement, 2nd Supplemental Conditional Deposit Agreement and 3rd Supplemental Conditional Deposit Agreement only form a statement of intention and the agreement is to document the Deposit made in good faith. As at the date of this announcement, there is no obligation from any parties to enter into any agreement or any agreement on terms of any issue of shares etc. but that any agreements executed will be subject to all applicable legal, regulatory approvals and requirements for parties, inter-alia, listing and approval requirements of SGX-ST and Bursa Malaysia where applicable.

None of the Directors or controlling shareholders of the Company have any direct or indirect interest in the Conditional Deposit Agreement, the Supplemental Conditional Deposit Agreement, the 2nd Supplemental Conditional Deposit Agreement and the 3rd Supplemental Conditional Deposit Agreement, other than through their respective shareholdings in the Company.

As at the date of this announcement, the Directors are satisfied that the Group has the necessary internal controls and systems in place to ensure the appropriate usage of the Deposit and the Group is in a financial position to, inter-alia, to protect the Group’s interest and ability to return the Deposit when due.

A copy of the Conditional Deposit Agreement, the Supplemental Conditional Deposit Agreement, the 2nd Supplemental Conditional Deposit Agreement and the 3rd Supplemental Conditional Deposit Agreement will be available for inspection during normal business hours at the Company’s registered office at Harvest @ Woodlands, 280 Woodlands Industrial Park E5 #10-50, Singapore 757322 for three (3) months from the date hereof. The Board will make the necessary announcements and keep shareholders informed of any developments.

BY ORDER OF THE BOARD

Khoo Yick Wai

Chief Executive Officer

31 March 2015

*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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