

VASHION GROUP LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No: 19996220H)

REPAYMENT OF CONDITIONAL DEPOSIT

The Board of Directors ("**Board**") of Vashion Group Limited (the "**Company**") and together with its subsidiaries the "**Group**") refer to its earlier announcement on 10 July 2014, 30 September 2014, 31 December 2014, 30 March 2015, 30 June 2015, 30 September 2015 and 31 December 2015 in connection of the entry into and the extensions of the Conditional Deposit Agreement and announcement dated 5 February 2016 titled "Repayment of Conditional Deposit" (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**"). Please refer to Earlier Announcements for more details.

The Board wishes to update its Shareholders that at the request of Investor and as agreed by the Board, the Company had on 25 February 2016 made a further partial repayment of USD282,000 and HKD2,000,000 (equivalent to SGD762,812 at exchange rate of USD1:SGD1.4121 and HKD1:SGD0.1823) to Investor, Industronics Berhad. The source of repayment is made from the proceeds of private placement which was completed on 10 February 2016 ("**Placement**").

The Directors are of the opinion that, barring unforeseen circumstances and the net proceeds from the Placement and the Group's available cash and cash equivalents, the working capital available to the Group is sufficient to meet its present requirements (including where required the refund of the Conditional Deposit in part or in full) and the Group is able to operate as a going concern as at the date of this announcement. The use of the net proceeds from the Placement to partially refund the Conditional Deposit is consistent and in accordance to the intended use of proceeds as announced on 15 December 2015 and 25 January 2016.

The company is in negotiations and discussions with Investor in relation to the arrangement for the remaining Conditional Deposit of S\$1,033,188. The Company will make the necessary announcements and keep shareholders informed of any update.

BY ORDER OF THE BOARD

Christian Kwok-Leun Yau Heilesen
Executive Director
25 February 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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