

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

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, 30 September 2014, 31 December 2014, 30 March 2015, 30 June 2015, and 30 September 2015 in connection of the entry into and the extensions of the 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**”). Please refer to Earlier Announcements for more details.

The Board wishes to announce that it has entered into a 6th supplemental agreement with the Investor on 31 December 2015. Pursuant to the 6th supplemental to the Conditional Deposit Agreement dated 31 December 2015 (the “**6th 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 2016.

For avoidance of doubt, Conditional Deposit Agreement, Supplemental Conditional Deposit Agreement, 2nd Supplemental Conditional Deposit Agreement, 3rd Supplemental Conditional Deposit Agreement, 4th Supplemental Conditional Deposit Agreement, 5th Supplemental Conditional Deposit Agreement and 6th 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.

Lissington Limited (“**Lissington**”), who is a substantial shareholder of the Company, is also a shareholder of the Investor. As at the date of this announcement Lissington holds 8.32% of equity interest in the Investor. In addition, Mr Christian Kwok-Leun Yau Heilesen, the Executive Director of the Company, is deemed interested in 26.53% of equity interest in the Investor and Mr Leung Kwok Kuen, Jacob, the Non-Executive Director of the Company, is the chairman of the Investor. As such, in the event that the Proposed Placement takes place, it will be subject to, *inter alia*, approval from the shareholders of the Company as the Investor is a person under Rule 812(1) of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). Save for the foregoing, the Investor does not have any other relationship with the Group’s Directors, management, and substantial shareholders. Save as disclosed, 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, the 3rd Supplemental Conditional Deposit Agreement, the 4th Supplemental Conditional Deposit Agreement, the 5th Supplemental Conditional Deposit Agreement and the 6th 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. The Company wishes to inform that subsequent to the announcement dated 14 December 2015, the Company has during the period 15 December 2015 to the date of this announcement further utilized approximately S\$54,000 of the Conditional Deposit from the Investor for settlement of professional fees and Listing fees to SGX-ST.

Shareholders should note that the Proposed Placement is subject to execution of definitive placement agreement with terms and conditions to be agreed by the Company and the Investor and is subject to, where applicable, the approval from the shareholders of the Company. There is no certainty or assurance as at the date of this announcement that the Proposed Placement will materialize. Shareholders should also note that the terms and conditions for the Proposed Placement (including but not limited to issue price and the placement amount) are currently being negotiated and that no definitive terms has been agreed upon and that it is not certain that parties to the transaction will agree on mutually acceptable terms and conditions. Shareholders are advised to read this announcement and any further announcements by the Company carefully.

A copy of the Conditional Deposit Agreement, the Supplemental Conditional Deposit Agreement, the 2nd Supplemental Conditional Deposit Agreement, the 3rd Supplemental Conditional Deposit Agreement, the 4th Supplemental Conditional Deposit Agreement, the 5th Supplemental Conditional Deposit Agreement and the 6th 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

Christian Kwok-Leun Yau Heilesen
Executive Director
31 December 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.

*The contact person for the Sponsor is Ms Foo Quee Yin
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