

INFINIO GROUP LIMITED

Unaudited Half-Year Financial Statement Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative period of immediately preceding financial year.

	Group		
	Half Year Ended 30 September		
	2015 \$'000	2014 \$'000	% Change
Revenue	5	30	-83%
Cost of sales	-	-	N.M
Gross profit	<u>5</u>	<u>30</u>	<u>30%</u>
Other income - net	8	1	700%
Distribution and marketing expenses	-	-	N.M
Administrative expenses	(547)	(1,205)	-55%
Results from operating activities	<u>(535)</u>	<u>(1,174)</u>	<u>-55%</u>
Finance income	-	-	N.M
Finance cost	(5)	-	NM
Finance cost - net	<u>-</u>	<u>-</u>	<u>N.M</u>
Loss before tax	<u>(539)</u>	<u>(1,174)</u>	<u>-54%</u>
Income tax expenses	-	-	N.M
Loss for the year	<u>(539)</u>	<u>(1,174)</u>	<u>-54%</u>
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Employee share options			
- Share options lapsed	-	(53)	NM
Other comprehensive loss for the year, net of tax	-	(53)	NM
Total comprehensive loss for the year	<u>(539)</u>	<u>(1,227)</u>	<u>130%</u>
Loss attributable to:			
Owners of the Company	(539)	(1,174)	54%
Non-controlling interests	-	-	N.M
	<u>(539)</u>	<u>(1,174)</u>	<u>54%</u>
Total comprehensive loss attributable to:			
Owners of the Company	(539)	(1,227)	-56%
Non-controlling interests	-	-	N.M
	<u>(539)</u>	<u>(1,227)</u>	<u>-56%</u>
Loss per share			
- Basic loss per share (cents)	(0.060)	(0.20)	- 70%
- Diluted loss per share (cents)	<u>(0.060)</u>	<u>(0.20)</u>	<u>-70%</u>

Note: Differences due to rounding

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative period of immediately preceding financial year.

Notes to Administrative Expenses

	Group Half Year Ended 30 September		
	2015 \$'000	2014 \$'000	% Change
Administrative Expenses by Nature			
Amortisation of intangible assets	0	7	- NM
Audit fees paid/payable to the auditor of the Company	28	32	-13%
Contractor fees	0	216	NM
Depreciation of plant and equipment	1	2	-50%
Employee compensation	305	238	28%
Legal and professional fees	37	116	-68%
Listing fees and AGM/ EGM expenses	75	85	-12%
Loss on disposal of available-for-sale financial assets	0	339	NM
Operating lease – office and equipment rental	65	65	N.M
Site expenses	0	16	NM
Other	36	89	-60%
Total administrative expenses	<u>547</u>	<u>1,205</u>	<u>-55%</u>

For the 6 month financial period ended 30 September 2015, the Group did not register any investment income, allowance for doubtful debts and bad debt written off, write off for stock obsolescence, impairment in value of investment, adjustments for under or over provision of tax, exceptional items, and extraordinary items.

1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Sep	31-Mar	30-Sep	31-Mar
Note	2015	2015	2015	2015
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-Current assets				
Plant and equipment	2	4	2	4
Intangible assets	-	-	-	-
Mining rights	4,907	4,907	-	-
Investments in subsidiaries	-	-	4,907	4,907
Available-for-sales financial asset	-	-	-	-
	<u>4,909</u>	<u>4,911</u>	<u>4,909</u>	<u>4,911</u>
Current assets				
Trade and other receivables	46	69	30	29
Cash and cash equivalents	11	8	11	5
	<u>57</u>	<u>77</u>	<u>41</u>	<u>34</u>
Total assets	<u>4,966</u>	<u>4,988</u>	<u>4,950</u>	<u>4,945</u>
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	44,018	43,302	44,018	43,302
Reserves	(41,571)	(41,031)	(41,363)	(40,863)
	<u>2447</u>	<u>2,271</u>	<u>2,655</u>	<u>2,439</u>
Non-controlling interests	<u>(17)</u>	<u>(17)</u>	<u>-</u>	<u>-</u>
Total equity	<u>2,430</u>	<u>2,254</u>	<u>2,655</u>	<u>2,439</u>
Current Liabilities				
Trade and other payables	2,336	2,251	2,095	2,023
Borrowings	200	483	200	483
Total liabilities	<u>2,536</u>	<u>2,734</u>	<u>2,295</u>	<u>2,506</u>
Total equity and liabilities	<u>4,966</u>	<u>4,988</u>	<u>4,950</u>	<u>4,945</u>

Note: Differences due to rounding

1(b)(ii) aggregate amount of the group's borrowings and debt securities

Amount repayable in one year or less, or on demand;

As at 30 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
Nil	200,000 ¹	Nil	400,000 ¹

Amount repayable after one year;

As at 30 September 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Details of any collateral.

None.

¹ The Company raised gross proceeds amounting to S\$200,000 from the subscription and conversion of 5.0% equity linked redeemable structured convertible notes due 2015 ("Equity Linked Notes") during the half year ended 30 September 2015.

In July 2015, S\$400,000 of the Equity Linked Notes, which was outstanding as at 31 March 2015, was converted into ordinary shares as at 30 September 2015.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement Of Cash Flows

	Group	
	Half Year Ended 30 Sept	
	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax	(539)	(1,174)
<u>Adjustments for :</u>		
Amortisation of intangible assets	-	7
Depreciation of plant and equipment	2	2
Loss on disposal of available-for-sale financial assets	-	339
Currency realignment	-	-
Interest income	-	-
Operating cash flows before changes in working capital	(537)	(826)
<u>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</u>		
Trade and other receivables	23	(7)
Other current assets	-	(41)
Trade and other payables	85	(332)
Net cash used in operating activities	(429)	(1,206)
Cash flows from investing activities		
Acquisition of plant and equipment	-	(3)
Proceeds from disposal of available-for-sale financial assets	-	28
Net cash flows from investing activities	-	25
Cash flows from financing activities		
Proceeds from issue of new ordinary shares, net of expenses	716	1,376
Repayment of borrowings	(284)	(400)
Net cash flows from financing activities	432	976
Net (decrease)/ increase in cash and cash equivalents	3	(205)
Cash and cash equivalents at beginning of financial year	8	240
Cash and cash equivalents at the end of the period	11	35

Note : Differences due to rounding

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of change in equity

Group	Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
2015						
Balance at 1 April 2015	43,302	(43)	(40,988)	2,271	(17)	2,254
Loss for the year	-	-	(539)	(539)	-	(539)
<u>Other comprehensive income/ (loss)</u>						
Items that may be reclassified subsequently to profit and loss:						
Employee share options						
- Share options lapsed	-	-	-	-	-	-
Currency translation differences arising from consolidation	-	-	-	-	-	-
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-
<u>Contributions by and distributions to owners of the Company</u>						
Issuance of shares	724	-	-	724	-	724
Share issue expenses	(8)	-	-	(8)	-	(8)
	716	-	-	716	-	716
Balance at 30 September 2015	44,018	(43)	(41,527)	2,447	(17)	2,430
2014						
Balance at 1 April 2014	41,750	148	(38,996)	2,902	(14)	2,888
Loss for the year	-	-	(1,174)	(1,174)	-	(1,174)
<u>Other comprehensive income/ (loss)</u>						
Items that may be reclassified subsequently to profit and loss:						
Employee share options						
- Share options lapsed	-	(53)	53	-	-	-
Currency translation differences Arising from consolidation	-	(106)	-	(106)	-	(106)
Total comprehensive income/ (loss) for the year	-	(159)	53	(106)	-	(106)
<u>Contributions by and distributions to owners of the Company</u>						
Issuance of shares	1,400	-	-	1,400	-	1,400
Share issue expenses	(24)	-	-	(24)	-	(24)
	1,376	-	-	1,376	-	1,376
Balance at 30 September 2014	43,126	(11)	(40,117)	2,998	(14)	2,984

Company	Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Total equity \$'000
2015				
Balance at 1 April 2015	43,302	-	(40,863)	2,439
Loss for the year	-	-	(500)	(500)
<u>Other comprehensive income/(loss)</u>				
Employee share options				
- Share options lapsed	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	-
<u>Contributions by and distributions to owners of the Company</u>				
Issuance of shares	724	-	-	724
Share issue expenses	(8)	-	-	(8)
	716	-	-	716
Balance at 30 September 2015	44,018	-	(41,363)	2,655
2014				
Balance at 1 April 2014	41,750	53	(37,428)	4,375
Loss for the year	-	-	(920)	(920)
<u>Other comprehensive income/(loss)</u>				
Employee share options				
- Share options lapsed	-	(53)	53	-
Total comprehensive income/(loss) for the year	-	(53)	53	-
<u>Contributions by and distributions to owners of the Company</u>				
Issuance of shares	1,400	-	-	1,400
Share issue expenses	(24)	-	-	(24)
	1,376	-	-	1,376
Balance at 30 September 2014	43,126	-	(38,295)	4,831

Note : Differences due to rounding

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the 6 month financial period ended 30 September 2015, 120,000,000 Placement Shares have been issued to KKI International Limited for S\$324,000 pursuant to the Placement Agreement dated 14 May 2015 and 250,000,000 ordinary shares were issued from conversion of Equity Linked Notes amounting to an aggregate of S\$400,000 in the Company's share capital pursuant to a Subscription Agreement dated 22 June 2012 and supplemented with addendum dated 27 July 2012 relating to the issue of Equity Linked Notes.

As at 30 September 2015, S\$200,000 of the Equity Linked Notes have been subscribed for but have not been converted into ordinary shares. There was another subscription of the Equity Linked Notes for

S\$200,000 on the 5 Oct 2015. The total outstanding Equity Linked Notes of S\$400,000 are not to be converted into shares as the Equity Linked Notes was matured on 9 October 2015.

The Remuneration Committee of the Company has decided to cancel the 6,666,000 employee shares due to be issued to the Executive Directors. As at 30 September 2015, the Company does not have any outstanding warrants or employee share options.

The Company does not hold any treasury shares as at 30 September 2015 and 31 March 2015

1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding year

	as at 30 Sep 2015	as at 31 Mar 2015
Total number of Issued Shares	1,051,304,250	681,304,250

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

.None

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

The figures have not been audited or reviewed by the auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and the Company have consistently applied the same accounting policies and methods of computation as in the most recently audited annual financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	30 Sep 2015	30 Sep 2014
(Loss) per ordinary share for the period		
- Based on weighted average number of ordinary shares in issue	(0.06) cents	(0.20) cents
- Based on fully diluted number of ordinary shares in issue	(0.06) cents	(0.20) cents

The Group's loss per share is based on the weighted average number of ordinary shares in issue during the financial year of 2015: 963,937,960 (2014:595,017,143). As of 30 September 2015 and 30 September 2014, the Group does not have any outstanding warrants and employee share options. Thus, there is no impact on the Group's dilutive potential ordinary share.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year:-

Net Asset Value	Group		Company	
	30/09/15	31/03/15	30/09/15	31/03/15
Net asset value based on existing issued share capital as at the respective period / year	Cents 0.23	Cents 0.33	Cents 0.25	Cents 0.36

The net asset value per share is calculated based on the number of ordinary shares in issue of 1,051,304,250 as at 30 September 2015. (31 March 2015: 681,304,250 shares)

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Overview

The Group's revenue for the half year ended 30 September 2015 ("HFY2016") decreased by 82%, or S\$25,000, as compared to the same period in the immediately preceding year. The decrease in revenue is due to the license of the Group's subsidiary Onegame Pte Ltd had expired in June this year and was not renewed as this is not in line with the strategic business for the Group, as such the revenue fees in relation to the online payment business will effectively cease.

With reference to the Company's announcement dated 6 July 2015 entitled "Update on Material Operations of the Group", the Company wishes to clarify that the license for the online payment business had expired on 30 June 2015 instead of 9 June 2015. The agreement was for 10 years from commencement of the operations, and further to the correspondences between the parties and the invoice from the Company for payment till 30 June 2015, the Company is entitled for the royalties fees up to 30 June 2015.

The increase in other income of S\$8,000 in the HFY2016 mainly due to the one off takeover fee received from the new tenant of the Group's operations office at 2 Leng Kee Road #03-04 Thye Hong

Centre. Administrative expenses decreased by 55% to S\$0.55 million in HFY2016 from S\$1.2 million for the half year ended 30 September 2015 (“HFY2015”) mainly due to no activity in the mining operation and services of the Group’s mining assets in Australia, absence of loss on disposal of available for sale financial assets, and a decline in legal and professional fees (please refer to page 2 of this announcement). Employee compensation increased by 28% to approximately S\$305,000 in HFY2016 due to payment of remuneration to the Executive Director and former Executive Director which was long overdue. Finance costs were incurred in the HFY2016 due to the working capital loan from KKI International of S\$176,000.

The Group incurred a net loss of S\$0.5 million in HFY2016 compared to S\$1.2 million in HFY2015.

Financial Position and Cash Flow Analysis

The Company has raised funds as working capital through the issuance of Equity Linked Notes, which amounted to an aggregate of S\$200,000 in cash. As at 30 September 2015, the Company had cash and cash equivalents of S\$11,000.

Current assets decreased from S\$77,000 as at 31 March 2015 to S\$57,000 as at 30 September 2015. It was primarily due to reduction of trade and other receivables.

Current liabilities decreased to approximately S\$2.5 million as at 30 September 2015 from approximately S\$2.7 million as at 31 March 2015 mainly due to conversion of Equity Linked Notes during the half year ended 30 September 2015 and this was partially offset by subscription of ELN S\$200,000 as well as the increase in trade and other payables.

Shareholder’s equity was S\$2.4 million as at 30 September 2015. The increase in share capital was due to the issuance of new shares with S\$400,000 conversion of ELN and Placement Shares of S\$324,000.

The Group’s net cash used in operating activities amounted to S\$429,000 in HFY2016 as compared to approximately S\$1.2 million for HFY2015. The lower net cash used in operating activities in HFY2016 was due to lower loss before tax in HFY2016 as well as positive changes in the working capital. The Group recorded net cash flow from financing activities of approximately S\$432,000 in HFY2016 due to mainly proceeds received from issuance of new shares which was partially offset by repayment of borrowings.

The Group recorded a loss after tax of approximately S\$539,000 in HFY2016 and net current liabilities of approximately S\$2.5 million as at 30 September 2015. Notwithstanding the Group’s loss after tax of approximately S\$539,000 in HFY2016 and net current liabilities of approximately S\$2.5million as at 30 September 2015, the Board and the Audit Committee of the Company (“**Audit Committee**”) are of the opinion that the Company and the Group will be able to meet their liabilities as and when they fall due and that the Company and the Group are able to continue as a going concern for the next 12 months. The basis of such opinion is as follows:-

- (a) The on-going negotiations with the potential investors/third parties to take over the Birthday Mine or to manage the mine operation without any capital expenditure to the Company (please refer to the Company’s announcement dated 2 October 2015;
- (b) As announced on 6 July 2015, Atlas Capital Pte. Ltd. (“**Atlas**”), a shareholder of the Company, has on 23 June 2015 provided a letter of continuing financial support (the “**Letter**”) that (i) Atlas will provide the Company continuing financial support as and when it may be required for it to meet its liabilities as at 31 March 2015 and its normal operating expenses to be incurred up to the subsequent 12 months from the date of the Letter, and (ii) Atlas will not demand immediate payments for debt owing to Atlas so that the Company will continue to operate as a going concern. The Board and the Audit Committee have reviewed and are satisfied with the financial standing and position of Atlas and the statements by Atlas in its Letter, with respect to *inter alia*, its ability to provide continuing financial support. Based on the discussion with Atlas, the Board and the Audit Committee are not aware of any reason which will cause Atlas to withdraw its continuing financial support to the Company pursuant to the Letter; and

- (c) As announced on 9 October 2015, the Company and Advance Opportunities Fund are in negotiation for conversion of the outstanding subscribed equity linked notes of S\$400,000 into loan and/or renew the financing facility under a new agreement with separate terms and conditions to be agreed, which may be subject to the Company shareholders' approval (where applicable). Based on the past dealings and recent discussion with Advance Opportunities Fund, the Board and the Audit Committee are not aware of any reason which will cause Advance Opportunities Fund to withdraw its financial support to the Group.

Update on Use of Proceeds of Equity Linked Notes

Further to the announcement dated 9 October, the Company wishes to update that the remaining S\$5,372 of the net proceeds raised from the issuance of Equity Linked Notes on 4 September 2015 and 5 October 2015 has been utilized for the purpose of paying staff costs.

The use of the proceeds as disclosed above is in accordance with the stated use in the Company's circular to shareholders dated 3 September 2012.

- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Further to the announcement dated 2 October 2015, the Board wishes to inform the shareholders that there has been no update in connection with the Birthday Mine and the Company's efforts in seeking for other business opportunities as the negotiations are still ongoing and there have been no definitive agreement(s) executed by the parties.

In connection with the Equity Linked Notes, as announced on 9 October 2015, the maturity date for the Equity Linked Notes was on 9 October 2015 and parties are in negotiation for conversion of the outstanding S\$400,000 into loan and/or renew the financing facility under a new agreement with separate terms and conditions to be agreed, which may be subject to the Company shareholders' approval (where applicable).

The Company will make further announcement to update the shareholders in the event there is any material development in connection with the above matters.

The Company and the Board of Directors confirm that they are not aware of any other material information (including but not limited to financial information) with respect to the Group which was not formally disclosed or announced.

- 11. If a decision regarding dividend has been made:-**

None.

- 12. If no dividend has been declared, a statement to that effect:-**

No dividend has been declared/recommendeded for the 6 month period ended 30 September 2015

13. Interested Persons Transactions:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to rule 920)	Aggregate value of all interested persons transactions conducted under shareholders mandate pursuant to rule 920 (excluding transactions less than \$100,000)
Nil	Nil	Nil

During the 6-month period ended 30 September 2015. The Company does not have shareholders' mandate for interested person transactions.

14. Negative assurance confirmation on interim financial results under Rules 705(5) of the Listing Manual.

The Board of Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results of the Group and the Company for the half year ended 30 September 2015, to be false or misleading in any material aspect.

On behalf of the Board,

Lim Yeow Sun
Executive Director

Hong Seong Soo
Non-Executive Director

BY ORDER OF THE BOARD

.....
Lim Yeow Sun
Director
14 November 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 and basis for which such opinions are formed..*

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 Mr. Liao H. K.
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