

INFINIO GROUP LIMITED
(Incorporated in Singapore)
(Company Registration No.: 199801660M)

DISCLAIMER OF OPINION BY INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

The Board of Directors (the "Board") of Infinio Group Limited (the "Company") wishes to announce that the Company's Independent Auditors, Foo Kon Tan LLP ("Independent Auditors"), have issued a disclaimer of opinion in the Independent Auditor's on the consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 March 2017.

Please refer to the copy of the Independent Auditor's Report and extracts of the relevant notes to the financial statement attached herein.

Bases for Disclaimer of Opinion

- **Valuation of non-current assets classified as held for sale**
- **Recoverable amount of the cost of investment in a subsidiary**
- **Material uncertainty related to going concern**

DIRECTORS' OPINION

On the 1 June 2017, the shareholders of the Company approved the proposed diversification of its Company's business to include the automated retail business.

The Birthday Mine has been classified as an "asset held for sale" as at the balance sheet date. In view of the tight financial position of the Group, management did not conduct a valuation of the Birthday Mine and this was not in accordance with the relevant accounting standard. However, management does not rule out the possibility of cooperating with other third parties to jointly explore and develop the mine, if such opportunity arises."

BASIS OF THE DIRECTORS'S OPINION

Going concern

Having reviewed the significance of the Disclaimer of Opinion, the Directors are of the opinion that, barring unforeseen circumstances, the Group will be able to continue as a going concern for the next 12 months and that the Company's securities can and should continue to be traded on the Catalist. The basis of such opinion are:

- At an Extraordinary General Meeting ("EGM") held on 1 June 2017, the shareholders of the Company have approved the proposed issuance of 1% equity-linked redeemable convertible notes due 2020 in aggregate principal amount of up to S\$20 million ("RCN") to Advance Opportunities Fund I ("AOF I"). The RCN involves 4 tranches of a principal amount of \$5,000,000 each, comprising of Tranche 1 Notes, Tranche 2 Notes, Tranche 3 Notes and Tranche 4 Notes respectively. Each Tranche 1 and Tranche 2 Notes shall further comprise 20 equal sub-tranches of \$250,000, while each Tranche 3 and Tranche 4 Notes shall comprise 10 equal sub-tranches of \$500,000 respectively. Subsequent to the conclusion of the EGM, the Company submitted a listing application for Notes to SGX-ST and received the listing and quotation notice from SGX-ST on 28 June 2017. The subscription of the first sub-tranche of

Tranche Notes was completed on 7 July 2017. The Company received proceeds of \$203,577.08 after deducting related expenses. Management intends to further draw down the remaining 19 sub-tranches of Tranche 1, amounting to \$4.75 million, in the next 12 months to fund the Company's working capital requirements and automated retail business.

- In addition, the shareholders have also approved the conversion of debts owing to certain non-trade creditors, amounting to \$1,554,000, into 1.29 billion new ordinary shares in the capital of the Company at \$0.0012 per share. The Company has also received the listing and quotation notice of these new ordinary shares from SGX-ST on 28 June 2017. The new ordinary shares were listed and quoted on SGX-ST on 7 July 2017. The completion of the debt conversion exercise will reduce the debt burden of the Group and the Company and eliminates the need for any cash repayments and alleviate pressures faced by the Group and the Company on its current cash flows; and
- Management has prepared a cash flow forecast for the next twelve months and is of the view that sufficient working capital will be available to the Group to discharge its liabilities as and when they fall due.

DIRECTORS' CONFIRMATION

To the best of their knowledge, the Directors confirm that that all material disclosures, have been provided and announced for trading of the Company's Shares to continue.

The Company's Annual Report for FY2017, which will contain the Independent Auditor's Report and the Company's consolidated financial statements, will be despatched to shareholders and the SGX-ST.

BY ORDER OF THE BOARD
INFINIO GROUP LIMITED

Lim Yeow Sun
Executive Director
12 July 2017

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 as well as basis or assumptions for such 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 Mr. Liao H. K.
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