

INFINIO GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199801660M)

**PROPOSED ACQUISITION OF 80% OF THE ENTIRE ISSUED SHARE CAPITAL OF OXLEY
BATAM PTE. LTD. AND NOVATION OF LOAN**

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of Infinio Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that a conditional sale and purchase agreement (the “**SPA**”) has been entered into between (i) Rich Batam Private Limited, a wholly-owned subsidiary of the Company, as purchaser (the “**Purchaser**”); (ii) Oxley International Holdings Pte. Ltd. as seller (the “**Seller**”); and (iii) the Company as guarantor (the “**Guarantor**”) (collectively, the Purchaser together with the Seller and the Guarantor, the “**Parties**” and each a “**Party**”) on 16 March 2018. Pursuant to the terms and subject to the conditions of the SPA, the Purchaser has agreed to the acquisition and transfer of (“**Proposed Acquisition**”):
- 1.1.1. 80% of the entire issued share capital (the “**Sale Shares**”) of Oxley Batam Pte. Ltd. (the “**Target Company**”) from the Seller; and
- 1.1.2. an intercompany loan of S\$10,393,466.98 from OHL to the Target Company (the “**Loan**”).
- 1.2. None of the Directors or the controlling shareholders has any relationship or is related to the Seller. The Seller is an independent third party from the Group, Directors and its controlling shareholders.

2. INFORMATION RELATING TO THE SELLER AND THE TARGET GROUP

- 2.1 The information on the Seller and the Target Company and its subsidiary (collectively, the “**Target Group**”, each a “**Target Group Company**”) in Paragraph 2 of this announcement (“**Announcement**”) was provided by the Seller, which has been extracted and reproduced in this Announcement.
- 2.2 **The Seller**
- 2.2.1 The Seller is a private company limited by shares incorporated in Singapore on 18 April 2013. As at the date of this Announcement, the Seller is the legal and beneficial owner of the entire issued share capital of the Target Company. The directors of the Seller are Mr Ching Chiat Kwong and Mr Low See Ching. The Seller is a wholly-owned subsidiary of Oxley Holdings Limited (“**OHL**”), a public company listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).
- 2.2.3 The Seller and its associates (as defined in the Catalist Rules) are not related to any of the Company’s Directors, controlling Shareholders, chief executive officer or their respective associates. As at the date of this Announcement, the Seller and its associates do not hold shares in the Company (“**Shares**”).
- 2.3 **The Target Group and its Assets**
- 2.3.1 The Target Company is a private company limited by shares incorporated in Singapore on 25 September 2012. The Target Company has an issued and paid-up share capital of S\$1 consisting of 1 ordinary share. As at the date of this Announcement, the directors of the Target Company are Mr Ching Chiat Kwong and Mr Low See Ching. The Target Company is a wholly-owned subsidiary of the Seller.

- 2.3.2 The Target Group comprises the Target Company and its subsidiary, PT Oxley Karya Indo Batam (“**PT Oxley KIB**”), being a company incorporated in Indonesia on 21 June 2016.
- 2.3.3 The shareholders of PT Oxley KIB are the Target Company and PT Karya Indo Batam (“**PT KIB**”), which each holds 50% of the entire issued share capital of PT Oxley KIB.
- 2.3.4 The Target Group is principally engaged in the business of construction, development, management, and operation of properties in Batam, Indonesia.
- 2.3.5 PT Oxley KIB had on 12 August 2016 entered into a joint operation agreement (“**Joint Operation Agreement**”) with PT KIB for the construction, development, management, and operation of Oxley Convention City (the “**Project**”) on a land parcel located in Batam City, Province Riau Islands, Indonesia (the “**Property**”).
- 2.3.6 The entire development comprises an office tower with 320 office units, a hotel of 520 rooms, a retail and food & beverage (F&B) avenue with 130 units, and three towers of luxurious residences consisting of 1635 residential apartments.
- 2.3.7 Phase 1 of the Project was launched on 10 December 2016 and it will consist of 624 residential apartments and 66 retail and F&B units.

2.4 **Historical Financial Information of the Target Group**

- 2.4.1 Based on the audited financial statements of the Target Group for the financial year ended 30 June 2017, the book value and the net tangible liability of the Target Group as at 30 June 2017 was approximately S\$64,067.
- 2.4.2 The Target Group recorded a net loss attributable to equity owners of approximately S\$8,988, mainly relating to administrative expenses, for the financial year ended 30 June 2017.

3. **KEY TERMS OF THE PROPOSED ACQUISITION**

3.1 **Purchase Consideration**

- 3.1.1 The consideration for the purchase of the Sale Shares and the novation of the Loan shall be S\$10,393,470.98 (the “**Consideration**”) which was arrived at on a willing-buyer willing-seller basis, after negotiations which were conducted on an arm’s length basis between the Seller and the Purchaser, after taking into account, *inter alia*, the indicative value and future development potential of the assets held by the Target Group.
- 3.1.2 The Consideration comprises:
 - (a) a sum of S\$4 representing the consideration for the Sale Shares; and
 - (b) a sum of S\$10,393,466.98 representing the consideration for the novation of the Loan to the Purchaser (“**Loan Consideration**”).
- 3.1.3 Payment of the Consideration shall be made on completion of the Proposed Acquisition and the transfer of the Loan (“**Completion**”).
- 3.1.4 The Consideration would be satisfied wholly by cash, through a combination of equity fund-raising (including, but not limited to, the net proceeds from the proposed rights issue announced by the Company on 14 February 2018 and circular to Shareholders dated 6 March 2018 (“**Circular**”) and bank borrowings as the case maybe.
- 3.1.5 Pursuant to the terms of the SPA, the Purchaser has agreed to contingently fund the Target Company for up to S\$20,800,000 less the Loan Consideration already paid. Accordingly, the Purchaser has a potential contingent funding obligation towards the

Target Company of up to S\$10,406,533.02.

3.2 Completion

- 3.3.1 Completion is expected to take place on the date falling no later than ten (10) business days after the date on which all the Conditions Precedent (as defined below) are satisfied or waived by the Purchaser or the Seller (as the case may be) in accordance with the terms of the SPA, or such other date as may be mutually agreed between the Purchaser or the Seller in writing (the “**Completion Date**”).
- 3.3.2 Completion is conditional upon, inter alia, the conditions precedent specified in **Appendix A** to this Announcement (the “**Conditions Precedent**”) being satisfied or waived in accordance with the terms of the SPA. **Please refer to Appendix A for further details on the Conditions Precedent.**
- 3.3.3 If the Conditions Precedent are not satisfied or waived by the Purchaser or the Seller (as the case may be) by the longstop date, being the expiry of three (3) months from the date of the SPA, or such other date as may be mutually agreed in writing between the Parties (“**Longstop Date**”), the SPA shall automatically terminate and no Party shall have any claim against any other Party with respect to any fact, matter or circumstance that gave rise to such non-satisfaction of such Condition Precedent, provided that such other Party had used reasonable endeavours to achieve satisfaction of each Condition Precedent.

3.3 Costs and Expenses

- 3.3.1 The Purchaser shall bear all relevant taxes and stamp duties (including penalties, if any) payable under or in connection with the Proposed Acquisition, including but not limited to stamp duty payable on the transfer of the Sale Shares from the Seller to the Purchaser.
- 3.3.2 Save as set out in paragraph 3.3.1 above, each Party shall bear its own costs and expenses incurred in connection with the negotiation, preparation and execution of the SPA and all transactions contemplated in the SPA.

3.4 Undertakings, Representations and Warranties

The Proposed Acquisition is subject to such further undertakings, representations and warranties from the Parties as are customary for transactions of similar nature and as provided in the SPA.

3.5 Guarantee

The Company guarantees to the Seller the due and punctual performance by the Purchaser of all its obligations, commitments, undertaking, warranties and indemnities in respect of (i) the Proposed Acquisition, and (ii) the novation of the Loan (collectively, the “**Relevant Transactions**”).

3.6 Non-Competition Restrictions and Right of First Refusal

- 3.6.1 The Seller has given customary non-compete undertakings in the SPA, pursuant to which, it shall not, and shall procure that its affiliates shall not during the period of two (2) years from the Completion Date (“**Restricted Period**”), directly or indirectly:
- (a) be engaged in any business which is of the same or similar type to the Project in Batam, Indonesia (“**Competing Business**”); or
 - (b) solicit an employee of the Target Group with a view to his engagement or employment by another person.

3.6.2 During the Restricted Period, if the Seller or any of its affiliates desires to be engaged in a Competing Business, the Seller shall, to the extent permitted by law, offer a right of first refusal to Purchaser with respect to the opportunity to participate in that Competing Business.

4. **RATIONALE FOR THE PROPOSED ACQUISITION**

The entry into the Proposed Acquisition is in line with the Company's intention to diversify the business of the Group ("**Proposed Diversification**") to include the conduct of property development and related business ("**Property Business**"), as announced by the Company on 13 February 2018. A Circular has been despatched to Shareholders for the purpose of seeking Shareholders' approval for, inter alia, the Proposed Diversification at an extraordinary general meeting to be convened on 28 March 2018 ("**EGM**").

The Proposed Acquisition, in particular, will allow the Company to undertake a viable property development business and build towards a long-term sustainable business in the Property Business. This is in line with the Group's strategic plans and on-going efforts to pursue and diversify into the Property Business. The Proposed Acquisition will also enable the Company to diversify its revenue streams and to substantially increase its asset base and the scale of its business operations.

In view of the foregoing, the Board believes that the Proposed Acquisition will enhance the long term interests of the Company and its Shareholders.

5. **RULE 1006 RELATIVE FIGURES FOR THE PROPOSED ACQUISITION**

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules based on the latest announced unaudited consolidated financial statements of the Group for the 6-month financial period ended 30 September 2017 are as follows:

Rule 1006 of the Catalist Rules	Bases	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable ⁽¹⁾
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits	1.4% ⁽²⁾
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	68.76% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable ⁽⁵⁾

Notes:

- (1) Not applicable, as the Proposed Acquisition is in relation to the acquisition of assets.
- (2) The net loss attributable to the assets to be acquired are S\$8,988, compared with the Group's net loss of S\$529,000.
- (3) The Company's market capitalisation of approximately S\$30.25 million, as calculated by multiplying 3,781,145,730 ordinary shares in issue by the volume-weighted average price per share of S\$0.008 as at 15 March 2018 (being the last full market day preceding the date of the SPA). Pursuant to the terms of the SPA, the Purchaser has agreed to contingently fund the Target Company for up to S\$20,800,000 less the Loan Consideration already paid. Accordingly, the Purchaser has a potential contingent funding obligation towards the Target Company of up to S\$10,406,533.02.. Accordingly, the total consideration for the purposes of Rule 1006 (c) of the Catalist Rules computation, including the potential contingent funding obligation, will be S\$20,800,004.
- (4) Not applicable as the Consideration for the Proposed Acquisition will be satisfied wholly in cash and no equity securities will be issued as part of the Consideration.
- (5) Not applicable as the Proposed Acquisition is not a disposal of mineral, oil and gas assets.

As the relative figures set out in Rule 1006 (c) of the Catalist Rules exceeds 5% but is less than 75%, the Proposed Acquisition constitutes a "Disclosable Transaction" within the meaning of Rule 1010 of the Catalist Rules. For the avoidance of doubt, the Proposed Acquisition is contingent upon the passing of the resolution for the Proposed Diversification by the Shareholders at the EGM.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

6.1 The financial effects of the Proposed Acquisition on the Group as set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Acquisition.

6.2 The following financial effects of the Proposed Acquisition are computed based on the Group's audited consolidated financial statements for the financial year ended 31 March 2017 ("FY2017") and the following bases and assumptions:

- (a) the financial effect on the net asset value ("**NAV**") or net tangible assets ("**NTA**") is computed based on the assumption that the (i) Proposed Acquisition and (ii) the issuance of 180,000,000 placement shares on 4 April 2017, 1,289,459,850 conversion shares on 6 July 2017 and 1,260,381,900 2018 placement shares on 1 February 2018 (collectively "**Additional Share Issuances**") and (iii) the issuance of 3,781,145,730 rights shares and acquisition of the Kim Chuan property as set out in the circular to Shareholders dated 6 March 2018 has been approved by Shareholders ("**Proposed Transactions**"), were completed or had taken place on 31 March 2017;
- (b) the financial effect on the loss per share ("**LPS**") is computed based on the assumption that the Proposed Acquisition, Additional Share Issuances and the Proposed Transactions were completed on 1 April 2016; and
- (c) the financial effect of the Proposed Acquisition on the NAV/NTA and LPS of the Company has been computed based on the Target Group's net loss of S\$8,988 as per its audited accounts for the financial year ended 30 June 2017.

6.3 NAV/NTA per Share

As at 31 March 2017	Before the Proposed Acquisition	After the Proposed Acquisition

NAV/NTA (S\$'000)	33,737	33,686
Number of shares ('000)	7,562,292	7,562,292
NAV/NTA per share (Singapore cents)	0.4461	0.4454

6.4 **EPS**

FY2017	Before the Proposed Acquisition	After the Proposed Acquisition
Loss attributable to owners of the Company (S\$'000)	(1,245)	(1,252)
Number of shares ('000)	7,562,292	7,562,292
Loss per share (Singapore cents)	(0.0165)	(0.0166)

7. **INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company (other than in their capacity as Directors or Shareholders of the Company) have any interests (direct or indirect) in the Proposed Acquisition.

8. **NO SERVICE CONTRACTS**

No person will be appointed to the Board in connection with the Proposed Acquisition, as no service contracts in relation thereto will be entered into by the Company.

9. **DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the SPA is available for inspection at the Company's registered office at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for a period of three (3) months from the date of this announcement.

10. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

11. **CAUTIONARY STATEMENT**

Shareholders are advised to exercise caution in trading their Shares. The Proposed Acquisition is subject to the Conditions Precedents and further due diligence. There is no certainty or assurance as at the date of this Announcement that the Proposed Acquisition will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition and other matters contemplated by this Announcement. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD
INFINIO GROUP LIMITED

Soong Kar Leong
Executive Director
16 March 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

APPENDIX A
KEY CONDITIONS

The obligation of the Parties under the SPA to complete the Proposed Acquisition are conditional upon, inter alia, the following salient conditions being satisfied, fulfilled or waived, as the case may be, before Completion:

Conditions to be satisfied by the Seller

1. The completion of the allotment and issuance of four (4) new shares in the capital of the Target Company to the Seller by the Target Company for no consideration or such other corporate exercise by the Target Company to procure that the Seller is the legal and beneficial owner of five (5) shares in the capital of the Target Company immediately prior to the Completion Date ("**Restructuring**").¹
2. Each Target Group Company having obtained, and where required, at all times having materially complied with, and having done all that is required to maintain in full force and effect, any authorisation required under any applicable law to:
 - (a) enable the Purchaser to be registered as the holder of any and all of the Sale Shares; and
 - (b) give effect to the Relevant Transactions;and where any such authorisation is subject to conditions, such conditions being acceptable to the Purchaser, acting reasonably, and if required to be fulfilled by a particular date, being so fulfilled, and such authorisation remaining valid and in full force and effect, where applicable.
3. If any material issues ("**Material Issues**") which result in or are likely to result in any event or circumstance which prevents the continuation, severely delays or causes the cessation of the business and operations of any Target Group Company as conducted immediately prior to such a disruption, delay or cessation for a period of 45 Business Days or more (including the revocation or cancellation of, or material amendment to the terms of, any licence, permit or ruling held by any Target Group Company which leads to such disruption, delay or cessation of business and operations for 45 Business Days or more) ("**Material Adverse Effect**") are uncovered by the Purchaser and its representatives pursuant to due diligence investigations, either of the following, in respect of each Material Issue:
 - (a) the rectification, or the procurement of such rectification, to the reasonable satisfaction of the Purchaser, by the Seller, of such Material Issue; or
 - (b) the provision of such representation, warranty or indemnity by the Seller, acting reasonably, to the Purchaser to address such Material Issue, to the satisfaction of the Purchaser, acting reasonably.

¹ The Restructuring is to facilitate the Proposed Acquisition such that immediately prior to the Completion Date and subject to the completion of the Restructuring, the Sale Shares shall comprise 80 per cent. of the entire issued and allotted share capital of the Target Company.

4. All such other necessary approvals, waivers and consents having been granted (and not having been withdrawn, suspended, amended or revoked) by any existing lenders of any Target Group Company or any third party who is a contracting party to any agreement that is material to the business of the Target Group in connection with the Proposed Acquisition, and where any of such approvals, waivers or consents are subject to conditions, such conditions being satisfactory to the Purchaser and the Seller, acting reasonably and if required to be fulfilled by a particular date prior to the Completion Date, being so fulfilled, and such approvals, waivers or consents remaining valid and in full force and effect, where applicable.

Condition to be satisfied by the Purchaser

5. The passing of resolutions at a general meeting or separate general meetings by the shareholders of the Company approving the Proposed Diversification and to the extent required by the applicable Catalyst Rules, the entry into by the Purchaser of the Proposed Acquisition and such approval(s) remaining in full force and effect.

Conditions to be satisfied by the Seller and the Purchaser

6. The results of a due diligence exercise on each Target Group Company conducted by the Purchaser not uncovering any Material Issue:
 - (a) which has not been rectified in accordance with paragraph 3(a) of this Appendix; or
 - (b) in respect of which the Seller has not provided a representation, warranty or indemnity to the Purchaser in accordance with paragraph 3(b) of this Appendix; and
7. The Seller and the Purchaser having in good faith, negotiated, agreed upon, finalised and procured the execution of a management fee agreement or deed to be entered into between the Target Company and OHL and effective as at the Completion Date in relation to the payment of the management fee in respect of the Project.
8. The Seller and the Purchaser having, in good faith, negotiated, agreed upon, finalised and procured the execution of a shareholders' agreement to be entered into between the Seller, the Purchaser and the Target Company in respect of the Target Company and effective as at the Completion Date.

Further Conditions to be satisfied

9. There not having occurred any matter, fact or circumstance which results in, or is likely to result in a Material Adverse Effect.
10. No governmental agencies taking, instituting or implementing any action, proceeding, suit, investigation, inquiry or reference, or having made or enacted any statute, regulation, decision, ruling, statement or order, and there not continuing to be in effect or outstanding any statute, regulation, decision, ruling, statement or order which makes or would make any of the Relevant Transactions void, illegal and/or unenforceable or otherwise prohibit or frustrate the same, beyond the Longstop Date.
11. There not having occurred any event between the date of the SPA and the Completion Date which would constitute a breach of any seller's warranty (as set out in the SPA) if such seller's warranty were to be repeated at Completion and which breach has not been remedied by the Seller and results in, or is likely to result in, a Material Adverse Effect.
12. No Target Group Company or company in the Group having received notice of any claim, action, injunction or order prohibiting the entering into or the consummation of any of the Relevant Transactions, which cannot be resolved prior to the Longstop Date.
13. The results of a valuation of the Phase 1 Property, Phase 2 Property and Buffer Land (each as defined under the Joint Operation Agreement) by an independent international valuer

being no less than the Consideration.