

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		
	2014 \$'000	2013 \$'000	% Change
Revenue	30	23	30%
Cost of sales	-	-	N.M
Gross profit	<u>30</u>	<u>23</u>	<u>30%</u>
Other income - net	1	7	-86%
Distribution and marketing expenses	-	-	N.M
Administrative expenses	(1,205)	(521)	131%
Results from operating activities	<u>(1,174)</u>	<u>(491)</u>	<u>139%</u>
Finance income	-	-	N.M
Finance cost	-	(5)	N.M
Finance cost - net	<u>-</u>	<u>(5)</u>	<u>N.M</u>
Loss before tax	<u>(1,174)</u>	<u>(496)</u>	<u>137%</u>
Income tax expenses	-	-	N.M
Loss for the year	<u>(1,174)</u>	<u>(496)</u>	<u>137%</u>
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Employee share options			
- Share options lapsed	(53)	(38)	39%
Other comprehensive loss for the year, net of tax	(53)	(38)	39%
Total comprehensive loss for the year	<u>(1,227)</u>	<u>(534)</u>	<u>130%</u>
Loss attributable to:			
Owners of the Company	(1,174)	(496)	137%
Non-controlling interests	-	-	N.M
	<u>(1,174)</u>	<u>(496)</u>	<u>137%</u>
Total comprehensive loss attributable to:			
Owners of the Company	(1,227)	(534)	130%
Non-controlling interests	-	-	N.M
	<u>(1,227)</u>	<u>(534)</u>	<u>130%</u>
Loss per share			
- Basic loss per share (cents)	(0.20)	(0.02)	900%
- Diluted loss per share (cents)	<u>(0.20)</u>	<u>(0.02)</u>	<u>900%</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 Income Statement

	Group Half Year Ended 30 September		
	2014 \$'000	2013 \$'000	% Change
Revenue by nature			
Online gaming	30	23	30%
	<u>30</u>	<u>23</u>	<u>30%</u>
Other Income, net			
Exchange loss	-	(1)	N.M
Government grant	1	6	-83%
Writeback of accrual	-	2	N.M
	<u>1</u>	<u>7</u>	<u>-86%</u>
Finance cost, net			
Interest expenses from loan	-	5	N.M
	<u>-</u>	<u>5</u>	<u>N.M</u>
Expenses by nature			
Amortisation of intangible assets	7	7	0%
Audit fees paid/payable to the auditor of the Company	32	11	191%
Consulting fees	-	51	N.M
Contractor fees	216	-	N.M
Company secretarial and tax fees	13	14	-7%
Depreciation of plant and equipment	2	1	100%
Employee compensation	238	160	49%
General Insurance	8	8	0%
Legal and professional fees	116	80	45%
Listing fees and AGM/ EGM expenses	85	82	4%
Loss on disposal of available-for-sale financial assets	339	-	N.M
Operating lease – office and equipment rental	65	72	-10%
Repair and maintenance	3	1	200%
Site expenses	16	-	N.M
Transport expenses	7	7	0%
Travelling expenses	27	16	69%
Telephone and Telex	2	2	0%
Other	29	9	222%
Total distribution and marketing expenses and administrative expenses	<u>1,205</u>	<u>521</u>	<u>131%</u>

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	2014	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-Current assets				
Plant and equipment	6	5	6	5
Exploration and evaluation assets	2,296	2,402	-	-
Intangible assets	4,056	4,063	-	-
Investments in subsidiaries	-	-	6,450	6,450
Available-for-sales financial asset	-	367	-	367
	<u>6,358</u>	<u>6,837</u>	<u>6,456</u>	<u>6,822</u>
Current assets				
Trade receivables	22	15	-	-
Other receivables	28	28	312	34
Other current assets	80	39	56	32
Cash and cash equivalents	35	240	29	238
	<u>165</u>	<u>322</u>	<u>397</u>	<u>304</u>
Total assets	<u>6,523</u>	<u>7,159</u>	<u>6,853</u>	<u>7,126</u>
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	43,126	41,750	43,126	41,750
Share option reserve	-	53	-	53
Currency translation reserve	(11)	95	-	-
Fair value reserve	-	-	-	-
Accumulated losses	<u>(40,117)</u>	<u>(38,996)</u>	<u>(38,295)</u>	<u>(37,428)</u>
	2,998	2,902	4,831	4,375
Non-controlling interests	<u>(14)</u>	<u>(14)</u>	<u>-</u>	<u>-</u>
Total equity	<u>2,984</u>	<u>2,888</u>	<u>4,831</u>	<u>4,375</u>
Current Liabilities				
Trade payables	570	433	461	332
Other payables	1,274	1,743	1,161	1,619
Borrowings	400	800	400	800
Current liabilities associated with discontinued operations	<u>1,295</u>	<u>1,295</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,539</u>	<u>4,271</u>	<u>2,022</u>	<u>2,751</u>
Net current liabilities	<u>(3,374)</u>	<u>(3,949)</u>	<u>(1,625)</u>	<u>(2,447)</u>
Net assets	<u>2,984</u>	<u>2,888</u>	<u>4,831</u>	<u>4,375</u>
Total equity and liabilities	<u>6,523</u>	<u>7,159</u>	<u>6,853</u>	<u>7,126</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 2014		As at 30 September 2013	
Secured	Unsecured	Secured	Unsecured
Nil	400,000 ¹	Nil	800,000 ¹

Amount repayable after one year;

As at 30 September 2014		As at 30 September 2013	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Details of any collateral.

None.

¹ The Company raised gross proceeds amounting to S\$1,000,000 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 2014. In the same year, S\$400,000 (S\$800,000: as at 30 September 2013) of the Equity Linked Notes were subscribed but not converted into ordinary shares as at 30 September 2014.

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>2014</u>	<u>2013</u>
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax	(1,174)	(496)
<u>Adjustments for :</u>		
Amortisation of intangible assets	7	7
Depreciation of plant and equipment	2	-
Loss on disposal of available-for-sale financial assets	339	-
Currency realignment	-	-
Interest income	-	-
Operating cash flows before changes in working capital	(826)	(489)
<u>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</u>		
Trade and other receivables	(7)	43
Other current assets	(41)	64
Trade and other payables	(332)	(510)
Net cash used in operating activities	(1,206)	(892)
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	1,376	1,999
Proceeds from borrowings	(400)	(450)
Net cash flows from financing activities	976	1,549
Net (decrease)/ increase in cash and cash equivalents	(205)	657
Cash and cash equivalents at beginning of financial year	240	177
Cash and cash equivalents at the end of the period	35	834

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
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
2013						
Balance at 1 April 2013	35,212	267	(37,576)	(2,907)	(14)	(2,111)
Loss for the year	-	-	(496)	(496)	1	(495)
<u>Other comprehensive income/(loss)</u>						
Items that may be reclassified subsequently to profit and loss:						
Employee share options						
- Share options lapsed	-	(37)	37	-	-	-
Total comprehensive income/(loss) for the year	-	(37)	37	-	-	-
<u>Contributions by and distributions to owners of the Company</u>						
Issuance of shares	2,050	-	-	2,050	-	2,050
Share issue expenses	(52)	-	-	(52)	-	(52)
	1,998	-	-	1,998	-	1,998
Balance at 30 September 2013	37,210	230	(38,035)	(595)	(13)	(608)

Company	Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Total equity \$'000
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
2013				
Balance at 1 April 2013	35,212	103	(36,002)	(687)
Loss for the year	-	-	(494)	(494)
<u>Other comprehensive income/(loss)</u>				
Employee share options				
- Share options lapsed	-	(37)	37	-
Total comprehensive income/(loss) for the year	-	(37)	37	-
<u>Contributions by and distributions to owners of the Company</u>				
Issuance of shares	2,050	-	-	2,050
Share issue expenses	(52)	-	-	(52)
	1,998	-	-	1,998
Balance at 30 September 2013	37,210	66	(36,459)	817

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 financial period ended 30 September 2014, 144,161,673 ordinary shares were issued from a series of conversion of Equity Linked Notes amounting to an aggregate of S\$1,400,000 in the Company's share capital pursuant to a Subscription Agreement relating to the issue of Equity Linked Notes.

As at 30 September 2014, S\$400,000 of the Equity Linked Notes have been subscribed for but have not been converted into ordinary shares. They are convertible into 125,000,000 new shares (based on the assumption that the conversion price is S\$0.0032).

The Company does not hold any treasury shares.

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 2014	as at 31 Mar 2014
Total number of Issued Shares	618,804,250	4,746,425,911

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.

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.

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 2014	30 Sep 2013
(Loss) per ordinary share for the period		
- Based on weighted average number of ordinary shares in issue	(0.20) cents	(0.02) cents
- Based on fully diluted number of ordinary shares in issue	(0.20) cents	(0.02) cents

The Group's loss per share is based on the weighted average number of ordinary shares in issue during the financial year of 2014: 595,017,143 (2013:2,683,424,597). As of 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	
	30/09/14	31/03/14	30/09/14	31/03/14
Net asset value based on existing issued share capital as at the respective period / year	Cents 0.48 0.06		Cents 0.78 0.09	

The net asset value per share is calculated based on the number of ordinary shares in issue of 618,804,250 as at 30 September 2014. (31 March 2014: 2,066,169,329 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 2014 ("HFY2015") increased by 30%, or S\$7,000, as compared to the same period in the immediately preceding year. The change in revenue is due to increase of gaming members in Singapore and Indonesia.

The decrease in other income by 86% to S\$1,000 in the HFY2015 due to the reduction of government grant resulting from a reimbursement claim for the communication event in the half year ended 30 September 2013.

The Group is on track in its transformation into an exploration and resource company with the successful acquisition of Summit Light Ventures Ltd on 25 February 2014. Administrative expenses increased by 131% to S\$1.2 million in HFY2015 from S\$0.5 million for the half year ended 30 September 2014 ("HFY2014"). Most of the expenses were attributed to mining operations and services on the Group's mining assets in Australia. The Group spent S\$0.2 million on contractor fees and S\$16,000 on site expenses to do geological mapping, technical review, license application and sample examination of the Birthday Gold Mine. The employee compensation and audit fees of the Group increased by 49% and 191% due to expertise deployed for mining business. The Group also incurred loss of S\$339,000 on disposal of Ephraim Resources Ltd's shares in HFY2015. Legal and professional fees and travelling expenses were increased 45% and 69% respectively are due to due diligence conducted on the Birthday Gold Mine and proposed acquisition of PT Bahana Nada Gemilang ("PT BNG"). Depreciation of plant and equipment increased 200% from S\$1,000 to S\$2,000 as a result of purchases of new computers for office use. In addition, the repair and maintenance fees increased significantly by 200% to S\$3,000 due to computer repair fees of S\$2,500 incurred during the HFY2015. Other expenses increased 222% compare to same period of prior year to S\$29,000 due to increase of investor relations, entertainment, staff training expenses and other expenses in the HFY2015.

No finance costs were incurred in the HFY2015 as the loan amount due to I-Box Technologies Ltd was settled. Loss per share increased 900% from 0.02 cents in the HFY2014 to 0.20 cents in the HFY2015 as every ten (10) Existing Shares registered in the name of each Shareholder were consolidated into one(1) Consolidated Share on 7 April 2014.

The Group incurred a net loss of S\$1.2 million compared to S\$0.5 million in HFY2014 as a result of transitioning itself to the exploration and resources business.

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\$1.4 million in cash. As at 30 September 2014, the Company had cash and cash equivalents of S\$29,000.

Non-current assets reduced to S\$6.3 million as at 30 September 2014 mainly due to translation of foreign currency on assets held in Australia.

Current assets decreased from S\$322,000 as at 30 September 2013 to S\$164,000 as at 30 September 2014. It was primarily due to reduction of cash and cash equivalents held compared to the prior year.

Current liabilities decreased to S\$3.5 million as at 30 September 2014 from S\$4.2 million as at 30 September 2013 mainly due to settlement of S\$400,000 to Birthday Mine Vendors and conversion of Equity Linked Notes during the half year ended 30 September 2014.

Shareholder's equity was S\$2.9 million as at 30 September 2014. The increase in share capital was due to the issuance of new shares with S\$1.4 million conversion of Equity Linked Notes.

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.

The Group has been looking at various investment prospects to create a stable revenue base. The management has charted out a new corporate direction for the Company and has taken initiatives to execute the actions conscientiously to facilitate the transformation of the Company. The Company had, on 14 April 2014, entered into a Memorandum of Understanding ("MOU") with PT BNG, a third party, for the proposed acquisition of up to 70% of the interest in PT BNG, which holds the interest in a Sipongi copper and gold mine located in Muara Sipongi, North Sumatra, Indonesia. The Company is still in the process of conducting due diligence and finalising negotiations on funding requirements for the proposed acquisition. In conjunction with the Sipongi prospect, the company is also exploring possible related joint venture opportunities which could hopefully provide faster returns on capital. It will make announcement when appropriate to update on the status of the prospective acquisition. The Group is of the view that the Proposed Acquisition will provide the Company with a potential revenue stream and enhance the Company's value for the shareholders.

The gold market has been somewhat volatile in the last year. 3Q2014 saw gold prices decline about 3% year on year compared to 3Q2013 and hovering around US\$1200/Oz. Gold prices are expected remain stable as there is a lack of a clear price signal causing investors to hold back on buying gold. Global gold production grew marginally in the last year but is expected to wane in light of lower gold prices. Retail demand for gold declined slightly, but the main decline was for investment demand in coins and bars which fell 24% and central bank purchases which fell 12% in value terms. (*Source: World Gold Council Gold Demand Trends Third Quarter 2014*)

The effect of this on the gold mining industry would be an expected shift in focus to high grade resources and possible consolidation for economies of scale. The Southern Cross area has accordingly seen a recent revival in interest in gold exploration, following from the completion in

January 2014 of Hanking Gold's acquisition of the Marvel Loch underground mine for A\$22.5 million, there has been an increase of mining activity in some of the smaller mines in the area. On 4 August 2014, Watpac Limited announced it had been awarded a A\$29 million mining service contract with Hanking Gold Mining to provide mining services at its Cornishman Pit, located at the centre of its Southern Cross Operations.

The Company has also met with Hanking Gold on possibility of processing ore at their Marvel Loch plant, as well as possible collaboration on exploration and development with some neighbouring mines in the area with the view of achieving better economies of scale. These opportunities are only exploratory and in very early stages of discussion.

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.

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 period, there were no interested persons 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 2014, to be false or misleading in any material aspect.

On behalf of the Board,

Wong Kuan Kit Keith

Lim Yeow Sun

BY ORDER OF THE BOARD

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Wong Kuan Kit Keith
Director
14 November 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently 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 correctness of any of the statements or opinions made or reports contained in this announcement.

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