

INFINIO GROUP LIMITED
(Company Registration No. 199801660M)

**THE PROPOSED PLACEMENT OF 1,260,381,900 NEW ORDINARY SHARES IN THE CAPITAL
OF THE COMPANY**

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” of the “**Directors**”) of Infinio Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 17 January 2018 entered into separate share subscription agreements (each a “**Share Subscription Agreement**”) with each of the following 8 subscribers namely, Wu Dawu, Jesper Lim Chin Yiong, Dara Rok Ing, He Xiaocong, Oh Keh Yew, Sun Dang Shun, Tan Hong Eng and Ho Seow Kai (each a “**Subscriber**” and collectively, the “**Subscribers**”) pursuant to which the Subscribers have agreed, in aggregate, to subscribe for 1,260,381,900 new ordinary shares (the “**Proposed Private Placement**”) in the issued and paid up capital of the Company (the “**Subscription Shares**”) at an issue price of S\$0.0018 per Subscription Share (the “**Issue Price**”).
- 1.2. The Subscribers are private investors who are business associates of Mr Wang ZhenWen and will be subscribing for the Subscription Shares for their respective personal investment purposes.

2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

- 2.1. The Issue Price represents a 10% discount to the volume weighted average price (“**VWAP**”) of S\$0.002 per share for trades done on the Company’s shares (“**Shares**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 17 January 2018, being the full market day on which the Share Subscription Agreements were signed.
- 2.2. The Subscription Shares will collectively represent (i) approximately 50% of the existing issued and paid-up share capital of the Company as at the date of this Announcement; and (ii) approximately 33.3% of the enlarged issued and paid-up share capital of the Company after the Proposed Private Placement. The Company does not have any treasury or subsidiary holdings as at the date of this announcement.
- 2.3. The Subscription Shares, if and when fully allotted, issued and fully paid, will be issued free from all claims, charges, liens and other encumbrances and rank pari passu in all respects with the existing Shares save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date in respect of which falls on or before the date of issue of the Subscription Shares.
- 2.4. The Proposed Private Placement is conditional upon, *inter alia*, the following:
- 2.4.1. the Company obtaining such approval(s) in connection for the allotment and issuance of the Subscription Shares from its board of directors, including the approval for the Proposed Private Placement;
- 2.4.2. the submission of the additional listing application to the SGX-ST for the listing of and quotation for the Subscription Shares on the Catalist Board of the SGX-ST;

- 2.4.3. the receipt by the Company of the approval in-principle for the listing of and quotation for of the Subscription Shares from the SGX-ST (as the case may be) being granted and such approval not having been revoked or amended, and where such approval is subject to conditions, such conditions being acceptable to the Subscribers;
 - 2.4.4. the subscription, allotment and issuance of the Subscription Shares on completion date not being prohibited by any statute, order, rule or regulation promulgated or issued hereafter by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;
 - 2.4.5. as at the completion date of the respective Share Subscription Agreement, the trading of the Company's Shares not being suspended by the SGX-ST (other than a suspension on a temporary basis requested by the Company) and the Company's Shares not having been delisted;
 - 2.4.6. the representations and warranties of the Company set out in the respective Share Subscription Agreement being true, accurate and correct in all material respects as if made on the completion date of the respective Share Subscription Agreement, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations set out in the respective Share Subscription Agreement to be performed on or before the completion date of the respective Share Subscription Agreement; and
 - 2.4.7. the representations and warranties of the respective Subscriber set out in the respective Share Subscription Agreement being true, accurate and correct in all material respects as if made on the completion date, with reference to the then existing circumstances and the respective Subscriber having performed in all material respects all of his obligations herein to be performed on or before the completion date of the respective Share Subscription Agreement.
- 2.5. Completion of the Share Subscription Agreements shall take place on a date no later than five (5) business days after the satisfaction of the last of the conditions set out in Clause 3.1 of the respective Share Subscription Agreement and paragraph 2.4 above ("**Completion**").
 - 2.6. Under the terms of the respective Share Subscription Agreement, each of the Subscribers has represented, warranted and undertaken to and for the benefit of the Company that he is not acting in concert or in collaboration with or co-operating, pursuant to an agreement or undertaking (whether formal or informal), with any existing Director or Shareholder of the Company, to obtain or consolidate effective control of the Company through the issue of the Subscription Shares.
 - 2.7. In the event that Completion under the respective Share Subscription Agreement does not take place on or before 16 July 2018, being the expiry of six (6) months from the date of the Share Subscription Agreement, the monies paid for the Subscription Shares shall be repaid to the relevant Subscriber (without interest).
 - 2.8. The Proposed Private Placement would not result in any transfer of controlling interest in the Company.
 - 2.9. The Subscription Shares will only be issued to the Subscribers and will not be issued to any of the persons listed in Rule 812(1) of the Catalist Rules.

3. AUTHORITY TO ISSUE SUBSCRIPTION SHARES

- 3.1. Pursuant to Rule 805 of the Catalist Rules as well as Section 161 of the Companies Act (Chapter 50) of Singapore, the Company must obtain the prior approval of its Shareholders in a general meeting for the issue of shares in the capital of the Company.
- 3.2. The Subscription Shares would be issued pursuant to the general mandate approved by Shareholders at the annual general meeting of the Company held on 31 July 2017 (the “**2017 AGM**”) which authorised the Directors to issue and allot new Shares provided the aggregate number of Shares to be issued shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the 2017 AGM, of which the aggregate number of Shares to be issued other than on a pro rata basis to its Shareholders shall not exceed 50% of the total number of issued Shares as at the 2017 AGM (excluding treasury shares and subsidiary holdings) (the “**Share Issue Mandate**”).
- 3.3. At the date of the 2017 AGM, the number of issued and paid-up share capital of the Company consisted of 2,520,763,830 Shares. Therefore, pursuant to the Share Issue Mandate, the maximum number of Shares which may be issued other than on a pro rata basis is 1,260,381,915 Shares. As at the date of this announcement, the Company has not issued any Shares under the Share Issue Mandate. Accordingly, the Subscription Shares are within the limits of the Share Issue Mandate.

4. FINANCIAL EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

4.1. Bases and Assumptions

Shareholders are advised to read this section carefully and to note that the financial effects of the Proposed Private Placement 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 Private Placement. The pro forma financial effect of the Proposed Private Placement is based on, *inter alia*, the following assumptions:-

- 4.1.1. the latest audited consolidated financial statements of the Company and the Group for the financial year ended 31 March 2017;
 - 4.1.2. the financial impact on the consolidated net tangible assets (“**NTA**”) per Share of the Group is based on the assumption that the Proposed Private Placement was completed on 31 March 2017;
 - 4.1.3. the financial impact on the consolidated earnings per Share (“**EPS**”) of the Group is computed based on the assumption that the Proposed Private Placement was completed on 1 April 2016; and
- 4.2. Given that the pro forma financial effects presented below are only for illustrative purposes, they do not represent the actual financial position and/or results of the Group immediately after the completion of Proposed Private Placement.

Share Capital

	Before the Proposed Private Placement	After the Proposed Private Placement
Number of issued Shares	2,520,763,830	3,781,145,730
Amount of share capital (S\$'000)	45,721	47,990

NTA

	Before the Proposed Private Placement	After the Proposed Private Placement
NTA (S\$'000)	(1,052)	(1,052)
Number of Shares ('000)	1,051,304	3,781,145
NTA per Share (Singapore cents)	(0.10)	(0.03)

EPS

	Before the Proposed Private Placement	After the Proposed Private Placement
Earnings/(Losses) for the year (S\$'000)	(1,245)	(1,245)
Number of Shares ('000)	1,051,304	3,781,145
Earnings/(Losses) per Share (Singapore cents)	(0.12)	(0.03)

5. USE OF PROCEEDS AND RATIONALE OF THE PROPOSED PLACEMENT

- 5.1. The estimated net proceeds from the Proposed Private Placement (after deducting the estimated expenses, including but not limited to the professional fees in relation to the Proposed Private Placement) are approximately S\$2,238,000 ("**Share Placement Net Proceeds**").
- 5.2. The Company intends to use up to 100% of the Share Placement Net Proceeds for working capital purposes.
- 5.3. Pending the deployment of the Share Placement Net Proceeds, such proceeds may be placed as deposits with banks and/or financial institutions and/or invested in short-term money markets or debt instruments or for any other purposes on a short-term basis as the Board may deem fit in the interest of the Group.
- 5.4. The Company will make periodic announcements on the utilisation of the Share Placement Net Proceeds as and when such proceeds are materially disbursed, and provide a status report on the use of the proceeds raised in its interim and full-year financial statements issued under Rule 705 of the Catalist Rules and its annual report. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and annual

report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

- 5.5. The Directors of the Company are of the opinion that, after taking into consideration the present financial position of the Group, including the present bank facilities, the loan facility granted by its Director and substantial shareholder, Mr Wang ZhenWen, and Share Placement Net Proceeds, the working capital available to the Group is insufficient to meet its present requirements. Notwithstanding the above, the Company is undertaking the Proposed Private Placement to support interim working capital requirements and might also consider additional funding requirements from equity and/or debt sources if necessary.

6. **GENERAL**

- 6.1. The Proposed Private Placement will be undertaken by way of private placements in accordance with Section 272B of the Securities and Futures Act (Cap. 289 of Singapore). As such, no prospectus or offer information statement will be issued by the Company in connection therewith.
- 6.2. None of the Directors (other than in his capacity as Director or Shareholder of the Company) nor (as far as the Directors are aware) substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Private Placement.
- 6.3. No placement agent has been appointed in respect of the Proposed Private Placement. No commission or referral fees will be paid to any party.
- 6.4. The Proposed Private Placement is not underwritten.
- 6.5. None of the Subscribers is related to each other, the Directors or, to the best of the Company's knowledge, its substantial shareholders.

7. **CHANGES IN INTERESTS OF THE DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND THE SUBSCRIBERS**

Details of the changes in interests of the Directors, substantial Shareholders and the Subscribers before and after the Proposed Transactions are set out as follows:

	As at the date of this Announcement and before the Proposed Private Placement ⁽¹⁾		After the completion of the Proposed Private Placement based on Enlarged Share Capital ⁽²⁾	
	No. of Shares	Interest (%) ⁽¹⁾	No. of Shares	Interest (%) ⁽²⁾
Directors				
Lim Yeow Sun	108,283,333	4.30	108,283,333	2.86
Hong Seong Soo	39,583,333	1.57	39,583,333	1.05
Kun Swee Tiong Andy	52,083,333	2.07	52,083,333	1.38

Wang ZhenWen	680,213,800	26.98	680,213,800	17.99
James Kho Chung Wah	-	-	-	-
Substantial Shareholders (Other than Directors and Subscribers)				
Lim Soon Fang	175,750,000	6.97	175,750,000	4.65
Bliss Deal Limited	175,750,000	6.97	175,750,000	4.65
Doris Chung Gim Lian ⁽³⁾	142,575,597	5.65	142,575,597	3.77
Chew Hwa Seng ⁽⁴⁾	142,575,597	5.65	142,575,597	3.77
Foong Chee Meng Nelson	291,666,667	11.57	291,666,667	7.71
Subscribers				
Wu DaWu	-	-	165,000,000	4.36
Jesper Lim Chin Yiong	-	-	165,000,000	4.36
Oh Keh Yew	-	-	165,000,000	4.36
Dara Rok Ing	-	-	120,000,000	3.17
He XiaoCong	-	-	165,000,000	4.36
Sun Dang Shun	-	-	165,000,000	4.36
Tan Hong Eng	-	-	165,000,000	4.36
Ho Seow Kai	-	-	150,381,900	3.98
Other public shareholders	854,857,767	33.91	854,857,767	22.61
Total Share Capital	2,520,763,830	100	3,781,145,730	100

Notes:

- (1) Based on Company's existing issued and paid-up share capital of 2,520,763,830 Shares.
- (2) Based on the Company's enlarged issued and paid-up share capital of 3,781,145,730 Shares after the completion of the Proposed Private Placement.
- (3) Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng. Accordingly, Ms Doris Chung Gim Lian is deemed to be interested in 4,817,597 Shares held by Mr Chew Hua Seng.

- (4) Mr Chew Hua Seng is the spouse of Ms Doris Chung Gim Lian. Accordingly, Mr Chew Hua Seng is deemed to be interested in 137,758,000 Shares held by Ms Doris Chung Gim Lian.

8. 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 Private Placement, 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 this 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 this Announcement in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Share Subscription Agreements are available for inspection during normal business hours at the Company's registered office at 80 Robinson Road, #02-00, Singapore 068898 for a period of three (3) months from the date of this Announcement.

10. LISTING AND QUOTATION OF SUBSCRIPTION SHARES

The Company will apply to the SGX-ST, through its continuing sponsor, for the listing and quotation of the Subscription Shares on the Catalist Board of the SGX-ST. The Company will make the necessary announcements once the listing and quotation notice has been obtained.

BY ORDER OF THE BOARD
INFINIO GROUP LIMITED

Lim Yeow Sun
Executive Director
17 January 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 Catalist. 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).