

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

**PROPOSED PLACEMENT OF 120,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF
INFINIO GROUP LIMITED AT A PLACEMENT PRICE OF S\$0.0027 PER SHARE
AND LOAN OF \$176,000**

1. Introduction

The Board of Directors (“Directors”) of Infinio Group Limited (“Infinio” or the “Company”), wishes to announce that the Company has on, 14 May 2015, entered into a shares placement agreement (the “Placement Agreement”) with KKI International Limited (the “Placee”) pursuant to the exemption provided under Section 272B of the Securities and Futures Act (Chapter 289, Singapore Statutes) (“SFA”), and in compliance with Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The Placee will also loan the company \$176,000 (the “**Loan**”) at an interest rate of 10% per annum for the purpose of working capital which is repayable with interest within 12 months.

No Placement Agent has been appointed in respect of the above transaction. No commissions or referral fees will be paid to any party.

2. The Placement

Pursuant to the Placement Agreement, the Company has agreed to allot and issue 120,000,000 new ordinary shares (the “Placement Shares”) in the capital of the Company at a placement price of \$0.0027 (the “Placement Price”) for each Placement Share (the “Placement”), and the Placee has agreed to subscribe and pay for the Placement Shares at the Placement Price for each Placement Share.

The Company will be making an application to the SGX-ST for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST.

The Placement is conditional upon, inter-alia, the listing and quotation notice being obtained from the SGX-ST for the listing of and quotation for the Placement Shares on Catalist of the SGX-ST. There are no other material conditions save for those mentioned under section 4.

(a) the terms of the issue and the purpose of the issue

The Placement Shares will be issued pursuant to the general mandate obtained at the Annual General Meeting of the Company held on 30 July 2014 (the “2014 AGM”) which authorized the Directors of the Company to issue and allot new shares not exceeding 50% of the number of issued shares in the capital of the Company at the time of passing by shareholders of this general mandate, in the case where shares are issued other than on a pro-rata basis to existing shareholders (the “Share Issue Mandate”).

No shares had previously been issued pursuant to the Share Issue Mandate and the total Placement Shares will represent approximately 20.7% of the issued and paid-up share capital of the Company of 578,804,250 ordinary shares (excluding treasury shares) in the capital of the Company at the time of the passing by shareholders of the Share Issue Mandate.

Accordingly, the proposed allotment and issue of 120,000,000 Placement Shares is within the limit of the Share Issue Mandate obtained at the 2014 AGM.

The Placement Price of S\$0.0027 per Placement Share having been determined based on a 10% discount to the volume-weighted average price of S\$0.003 for each share for trades done on the Company's shares on the SGX-ST for the full market day on 14 May 2015 (being the date of signing of the Placement Agreement).

At the date of this announcement, the issued and paid-up share capital of the Company consists of 681,304,250 ordinary shares. Upon completion of the Placement, the issued and paid-up share capital of the Company will increase to 801,304,250 ordinary shares and the Placement Shares will represent approximately 14.98% of the Company's enlarged share capital after the completion of the Placement.

There are no share borrowing arrangements in respect of this transaction.

There will not be any Prospectus or Offer Information Statement issued in connection with the Placement as the Placement will be made pursuant to the exemption under Section 272B of the SFA.

3. About the Placee

The details of the Placee who has proposed to subscribe for the Placement Shares are as follows:

Name of Placee	Number of Placement Shares	Aggregate consideration paid for Placement Shares	Percentage of enlarged issued share capital of Company after the Placement
KKI International Limited Address: Portcullis TrustNet Chambers, P.O.Box 3444 Road Town, Tortola, British Virgin Islands	120,000,000	S\$324,000	14.98%

The Placee is a business company incorporated in the British Virgin Islands (Company Number :1496336). The sole shareholder and Director of the Placee is a private investor Mr Richard Pang Hin Whee, a Singapore citizen and businessman who has interest in several jewelry businesses and a bakery business.

The Placee was also previously known by Mr Lim Yeow Sun who was also previously involved in the jewelry business. The Placee has previously subscribed for placements around 2012 in Infinio Group Limited and is subscribing for the Placement for his own investment purpose. As at the date of this announcement, the Placee does not hold any share in the Company.

Save as disclosed, the Placee and Mr Richard Pang Hin Whee has no connection/relationship with the Company, the Directors and Substantial Shareholders

The Company confirmed that the Placee has not been promised any benefit (whether in monetary terms or otherwise) by the Company or any of the Directors or Substantial Shareholders of the Company for agreeing to subscribe for the Placement Shares (including being a member of the board of directors).

Upon the Placement being completed, the Placee will have an interest in 14.98% of the enlarged issued and paid-up share capital of the Company.

The Placee has warranted and undertaken not to do or permit or suffer anything to be done which would result in the breach by the Company of any statutory and regulatory requirements pertaining to the issue and allotment of the Placement Shares, including without limitation, the requirements of Section 272B of the SFA and the Listing Manual of the SGX-ST. The Placee is not a person under rule 812 of the Catalist rules.

The total proceeds to be raised will be S\$324,000 (Three hundred and Twenty Four Thousand Singapore Dollars). The net proceeds after taking into account estimated expenses in connection with the Placement of approximately S\$30,000, will be S\$294,000.

The entire net proceeds (100%) of the Placement shall be immediately used by the Company to settle existing liabilities or commitments of the Company.

It is expected that following the receipt of funds from the Placement, the Company will settle existing liabilities of the company which may include the Equity Loan Note ("ELN") facility which the Company has been reliant on for funding. The ELN while providing ease of access to funding, remains an expensive way of funding the company. The Loan will reduce the cost of funding as the professional fees involved in each round of fundraising will be reduced.

The Company undertakes to make relevant announcements in relation to the use of funds as appropriate pursuant to Rule 704(30) and in the annual report pursuant to Rule 1204(22).

4. Details of the Placement Agreement

Obligations of the Company

Under the Placement Agreement, the Company will allot and issue to the Placee the Placement Shares free from all claims, charges, liens and other encumbrances whatsoever and shall rank pari passu in all respects with the existing shares save that they will not rank for any dividend, rights, allotments or other distributions, the Record Date of which falls on or before the Completion Date(as defined below). "Record Date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of shares of the Company.

The Company has not obtained a listing and quotation notice from the Exchange and will be seeking the listing and quotation of the new shares to be issued.

Obligations of the Placee

The Placee will subscribe and pay for the Placement Shares at the Placement Price.

Conditions Precedent

The Conditions Precedent to the parties' obligations under the Placement Agreement are, inter alia, as follows:

- (a) the receipt of the listing and quotation notice from SGX-ST for the listing and quotation of the Placement Shares on the Catalist Board of the SGX-ST (the "SGX Approval");
- (b) any conditions attached to the SGX Approval which is required to be fulfilled on or before the Completion Date (as defined herein) having been fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST; and

- (c) all material approvals, consents, licenses, permits, waivers and exemptions (collectively, "Approvals") for the Placement and all Approvals which are material for the carrying on of the business of the Company immediately after the Completion, having been granted by all third parties including all governmental bodies, whether in Singapore or elsewhere, to the Company and/or the Placee (as the case may be) and where any such Approval is subject to conditions, such conditions being reasonably acceptable to the Company and/or the Placee, as the case may be, and if such conditions are required to be fulfilled on or before Completion.

Completion

Completion of the Placement shall take place on a date falling within three (3) business days after obtaining the SGX Approval (or, if that day is not a business day, on the next business day), or such other date as the parties may agree in writing ("Completion Date").

The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST for the listing of and quotation for the Placement Shares on the Catalist.

Save for the Conditions Precedent, there are no restrictions imposed on the placement by the issuer.

The relevant agreements in respect of the above transaction are available for inspection at the Company's registered address for 3 months from the date of this announcement, during normal business hours.

5. Financial Effects of the Placement and Loan

The financial effects of the Placement on the Group are set forth below and were prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2014 ("FY2014"), subject to the following assumptions:

- (i) The estimated expenses to be incurred by the Company in connection with the Placement are approximately S\$30,000.
- (ii) S\$294,000 being used for full repayment of existing liabilities of the Company;
- (iii) For the purpose of computing the net tangible asset ("NTA") per share of the Group after the Placement, it is assumed that the Placement was completed on 31 March 2014; and
- (iv) For the purpose of computing the earnings per share of the Group after the Placement, it is assumed that the Placement was completed on 1 April 2013.

	Before the Placement	After the Placement
Issued Share Capital (S\$'000)	41,750	42,044
Number of Issued Shares ('000)	474,642	594,642
NTA per share (Singapore cents)	(0.25)	(0.15)
Loss per share (Singapore cents)**	(0.50)	(0.35)

* As the Company carried out a 10:1 share consolidation on 7 April 2014, the NTA and loss per share has been accordingly adjusted as though the consolidation occurred on 31 March 2014 for illustrative purposes. NTA per share is calculated based on 474,642,577 (adjusted) shares in issue as at 31 March 2014 before the Placement and 594,642,577 shares in issue after the Placement.

**Based on 298,058,200 Weighted average number of shares in issue before the Placement and 413,058,200 shares in issue after the Placement.

Subsequent to FY2014, 206,661,673 shares have been issued due to shares arising from the Conversion of the Equity Linked Notes. Hence, as at the date of this announcement, the number of issued shares are 681,304,250. Upon completion of the Placement, the issued and paid-up share capital of the Company will increase to 801,304,250.

The Loan does not have any impact on the Company's issued share capital, number of issued shares, net tangible assets and earnings per share for the financial year ending 31 March 2014.

It should be noted that the abovementioned financial effects have been calculated for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group after completion of the Placement.

6. Directors' Opinion on Working Capital

The Directors are of the opinion that having considered the present bank facilities, the working capital available to the Group is not sufficient to meet its present requirement.

The Directors are of the Opinion that having considered the present bank facilities and net proceeds of the Placement and the Loan, the working capital available to the group will be insufficient to meet its present requirements. Hence discussions are underway with potential investors for additional funding. Further announcements will be made in due course as appropriate.

7. Interests of Directors and Substantial Shareholders

The Placement will not result in the transfer of a controlling interest in the Company. None of the Company's Directors, substantial shareholders or persons falling under Rule 812(1) has any interest, direct or indirect, in the Placement and the Loan.

There are no directors proposed to be appointed to the Company in connection with the Placement and Loan

8. Effect on interest of Directors and Substantial Shareholders

Shareholdings	As at the date of the Announcement						After the Proposed Placement					
	Direct Interests	%	Deemed Interests	%	Total Interests	%	Direct Interests	%	Deemed Interests	%	Total Interests	%
Investor												
KKI International Pte Ltd	-	0.00%	-	0.00%	-	0.00%	120,000,000	14.98%	-	0.00%	120,000,000	14.98%
Directors												
Lim Yeow Sun	1,200,000	0.18%	-	0.00%	1,200,000	0.18%	1,200,000	0.15%	-	0.00%	1,200,000	0.15%
Wong Kuan Kit Keith	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Hong Seong Soo	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Kun Swee Tiong Andy	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Choo Siew Lohk	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Substantial Shareholders												
Chew Hwa Seng	4,817,597	0.71%	137,758,000	20.22%	142,575,597	20.93%	4,817,597	0.60%	137,758,000	17.19%	142,575,597	17.79%
Doris Chung Gim Lian	137,758,000	20.22%	4,817,597	0.71%	142,575,597	20.93%	137,758,000	17.19%	4,817,597	0.60%	142,575,597	17.79%
Liang Jen Nicholas Remigius Oei	50,520,000	7.42%	-	0.00%	50,520,000	7.42%	50,520,000	6.30%	-	0.00%	50,520,000	6.30%
Public Shareholders					487,008,653	71.48%					487,008,653	60.78%
TOTAL					681,304,250	100.00%					801,304,250	100.00%

Note: Mr Chew Hua Seng and Doris Chung Gim Lian are deemed interested in each other's shares as they are spouses.

9. Caution

Shareholders and potential investors of the Company should note that the Placement may or may not proceed subject to, among other things, the Conditions Precedent being satisfied. Shareholders and potential investors are reminded to exercise caution when dealing with securities of the Company and to refrain from taking any action in relation to their shares that may be prejudicial to their interests. Persons who are in doubt as to the action they should take, should consult their stockbroker, bank manager, solicitor or other professional advisers.

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 Placement, the Loan, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

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

The Company will make further announcements of the Placement in due course.

BY ORDER OF THE BOARD
INFINIO GROUP LIMITED

Keith Wong
Director
14 May 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, for compliance with the relevant rules of the SGX-ST. 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.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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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