

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

**PROPOSED PLACEMENT OF 180,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF
INFINIO GROUP LIMITED AT A PLACEMENT PRICE OF S\$0.001 PER SHARE**

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Directors**”) of Infinio Group Limited (the “**Company**”) is pleased to announce that the Company has on 26 January 2017 entered into a share placement agreement with Advance Opportunities Fund I (“**AOF I**”) (the “**Placement Agreement**”) pursuant to which the Company has agreed to allot and issue 180,000,000 new ordinary shares (each a “*Placement Share*” and collectively, the “**Placement Shares**”) at an issue price of \$0.001 per Placement Share to AOF I (the “**Proposed Placement**”).
- 1.2 The Proposed Placement will be made pursuant to the exemption under Section 272B of the Securities and Futures Act (Chapter 289, Singapore Statutes) (“**SFA**”), and in compliance with Chapter 8 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).
- 1.3 No prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.
- 1.4 No placement agent has been appointed in respect of the Proposed Placement. No commission or referral fees will be paid to any party.
- 1.5 The Proposed Placement is not underwritten.

2. INFORMATION ON AOF I

- 2.1 AOF I is an open-ended, discretionary fund with sub-funds incorporated in the Cayman Islands on 27 January 2016 and has its registered office at P.O. Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands. AOF I is structured as a regulated mutual fund with the Cayman Islands Monetary Authority.
- 2.2 Mr Tan Choon Wee is the principal director and shareholder of AOF I. AOF I is managed by Advance Capital Partners Asset Management Pte Ltd (“**ACPAM**”), an asset management company registered with the Monetary Authority of Singapore. Mr Tan Choon Wee is also the director and substantial shareholder of ACPAM.
- 2.3 In September 2016 to procure financing, the Company entered into a subscription agreement with AOF I dated 1 September 2016 (“**Subscription Agreement**”), pursuant to which the Company has agreed to issue, and AOF I has agreed to subscribe 1.0% equity-linked redeemable convertible notes due 2019 in aggregate principal amount of up to S\$20,000,000.

At the date of this announcement, the Subscription Agreement is still subject to the fulfilment of the conditions precedent set out therein. On 30 November 2016, the Company had announced that the fulfillment date for fulfillment of the conditions precedent set out in the Subscription Agreement has been extended from 1 December 2016 to 1 March 2017 by mutual consent of AOF 1 and the Company.

Please refer to the announcement dated 1 September 2016 for further details regarding the Subscription Agreement and the Company's announcement dated 30 November 2016 regarding the extension of the said fulfillment date.

- 2.4 As stated in paragraph 2.3 above, the Subscription Agreement is still subject to the fulfilment of the conditions precedent set out therein. As such, the Company has requested and AOF I has agreed to extend interim financing to the Company by way of the Proposed Placement.
- 2.5 At the date of this announcement, AOF I did not hold any shares in the capital of the Company.
- 2.6 Save as disclosed above, AOF 1 does not have any connection (including business relationship) with the Company, its Directors and substantial shareholders and is not a person to whom the Company is prohibited from placing its shares to, as provided for under Rule 812(1) of the Catalist Rules.
- 2.7 AOF I has not been promised any benefit (whether in monetary terms or otherwise) by the Company, its Directors and substantial shareholders for agreeing to subscribe for the Placement Shares (including being a member of the board of directors).

3. DETAILS OF THE PROPOSED PLACEMENT

3.1 Details of the Placement Shares

The Placement Shares, when allotted and issued, will represent approximately 17.12% of the Company's existing issued and paid-up share capital of 1,051,304,250 ordinary shares ("**Shares**") in the capital of the Company ("**Existing Share Capital**") and approximately 14.62% of the enlarged issued and paid-up share capital of 1,231,304,250 Shares ("**Enlarged Share Capital**") immediately after completion of the Proposed Placement (assuming that no further Shares are issued on or prior to the completion of the Proposed Placement).

The Placement Shares will be issued free from all claims, pledges, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares of the Company, except that they will not rank for any dividend, right, allotment or other distribution, the record date for which falls on or before the date of completion of the Placement Agreement ("**Completion Date**").

There are no share borrowing arrangements in respect of the Proposed Placement.

3.2 Issue of the Placement Shares

Pursuant to Rule 805 of the Catalist Rules, an issuer must obtain the prior approval of its shareholders in a general meeting for the issue of shares in the capital of the issuer.

The Placement Shares would be issued pursuant to the general mandate obtained at the annual general meeting of the Company held on 30 September 2016 (the “**2016 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) in the capital of the Company 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 (excluding treasury shares) (the “**Share Issue Mandate**”).

At the date of the 2016 AGM, the number of issued and paid-up share capital of the Company consisted of 1,051,304,250 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 525,652,125 Shares. As at the date of this announcement, the Company has not issued any Shares under the Share Issue Mandate. Accordingly, the Placement Shares are within the limits of the Share Issue Mandate.

The Company will be making an application to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST. The Company will make the necessary announcement(s) upon the receipt of approval-in-principle from the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST.

- 3.3 Following the allotment and issue of the Placement Shares to AOF I upon completion of the Proposed Placement, AOF I will have an aggregate of 180,000,000 Shares (representing 14.62% of the Enlarged Share Capital).

Name of Placee	Number of Placement Shares	Aggregate consideration paid for Placement Shares	Number of Existing Shares held	Percentage of Enlarged Share Capital of the Company after the Placement
Advance Opportunities Fund I (AOF I’)	180,000,000	S\$180,000	0	14.62%

AOF I 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 allotment and issue of the Placement Shares, including without limitation, the requirements of Section 272B of the SFA and the Catalist Rules.

AOF I has represented that it is not a person under Rule 812 of the Catalist Rules.

3.4 Placement Price of Placement Shares

The Placement Price of S\$0.001 is equal to the volume weighted average price of S\$0.001 for trades done on the SGX-ST on 25 January 2017 (there being no trading of Shares on the SGX-ST on 26 January 2017, the market day on which the Placement Agreement was signed).

3.5 Proceeds

The total proceeds expected to be raised from the Proposed Placement is S\$180,000. The net proceeds after deducting estimated fees and expenses of S\$25,000 to be incurred in connection with the Proposed Placement is approximately S\$155,000 (the “**Net Proceeds**”).

4. RATIONALE FOR THE PROPOSED PLACEMENT

- 4.1 The Company intends to use the entire Net Proceeds to discharge part of its current liabilities, which stood at approximately \$3 million as at 30 September 2016.
- 4.2 The Directors are of the opinion that the working capital available to the Company and its subsidiaries (“**Group**”) will be insufficient to meet its present requirements. The Directors are also of the opinion that after taking into consideration the Net Proceeds, the working capital available to the Group will still be insufficient to meet its present requirements.
- 4.3 Hence the Company had entered into the Subscription Agreement in September 2016 for additional funding. The Subscription Agreement is still subject to the fulfilment of the conditions precedent set out therein. The Company will keep its shareholders updated accordingly. Further announcements will be made in due course as appropriate.
- 4.4 Pursuant to Rule 704(30) and Rule 1204(22) of the Catalist Rules, the Company will make periodic announcements on the utilisation of the proceeds from the Proposed Placement as and when such proceeds are materially disbursed and subsequently provide a status report on the specific use of such proceeds and any material deviations therefrom, including the reasons for such deviations, in its annual report. In addition, if there is any material deviation from the specific use of such proceeds, the Company will make a separate announcement setting out the reasons for the deviation. The Company undertakes to provide a breakdown with specific details on the use of proceeds for working capital in the announcements and annual reports.

5. CONDITIONS OF THE PLACEMENT AGREEMENT

5.1 Conditions Precedent

Completion of the subscription of the Placement Shares under the Placement Agreement is conditional upon:-

- (a) approval in-principle for the listing and quotation of the Placement Shares on the SGX-ST being obtained from the SGX-ST and not revoked or amended and, where such approval is subject to conditions pertaining to and are to be complied with by AOF I, such conditions being reasonably acceptable to AOF I;
- (b) the issue and subscription of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;
- (c) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any respect of the warranties contained in clauses 5 and 6 of the Placement Agreement if they were repeated on and

as of the Completion Date; and

- (d) as at the Completion Date, the trading of the issued Shares on the SGX-ST not having been delisted from the SGX-ST.

AOF I may, and upon such terms as it thinks fit, waive compliance with any of the conditions set forth in paragraph 5.1 above (other than in respect of the accuracy of warranties given by the AOF I in clause 5 of the Placement Agreement) and the Company may, and upon such terms as it thinks fit, waive compliance with the condition set forth in paragraph 5.1(c) above (in respect of the warranties given by AOF I under clause 5 of the Placement Agreement) and any condition so waived shall be deemed to have been satisfied.

If any of the conditions set forth in paragraph 5.1 above is not satisfied (or waived) within 21 days from the date of the Placement Agreement or such other date as AOF I and the Company may agree, the obligations of the Company to issue the Placement Shares shall *ipso facto* cease and determine thereafter and neither AOF I nor the Company shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise in respect of the Proposed Placement, save for any antecedent breach of the Placement Agreement.

5.2 Completion

Completion of the Proposed Placement shall take place on a date falling five (5) business days from the fulfillment or waiver, as the case may be, of the last conditions precedent set out in clause 4.1 of the Placement Agreement unless otherwise agreed by AOF I and the Company in writing.

AOF I shall make payment to the Company no later than three (3) market days before the Completion Date in accordance with the Placement Agreement.

6. TERMINATION

- 6.1 If it comes to the notice of a party (the “**Non-Defaulting Party**”) of any breach of the warranties and undertakings contained in clause 5 and/or 6 of the Placement Agreement by the other party (the “**Defaulting Party**”) which is not remedied or capable of being remedied (to the satisfaction of the Non-Defaulting Party) within seven (7) days of the receipt of a written notice by the Defaulting Party from the Non-Defaulting Party notifying of such breach, the Non-Defaulting Party may thereafter at any time prior to the Completion Date by notice in writing to the Defaulting Party terminate the Placement Agreement and thereupon no party shall have any claim against the other save as provided for under the Placement Agreement.
- 6.2 Upon such notice referred to in paragraph 6.1 above being given, the Placement Agreement shall terminate forthwith and the parties shall be released and discharged of their obligations, without prejudice to any rights in respect of any prior breach under the Placement Agreement, and the Placement Agreement shall be of no further effect and neither party shall be under any liability to other in respect of the Placement Agreement.

7. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The financial effects of the Proposed Placement on the Company as presented herein are purely for illustrative purposes only and are not projections of the actual future financial performance or financial position of the Company after the Proposed Placement and are based

on the audited consolidated financial statements of the Group for the financial year ended 31 March 2016 (“FY2016”), subject to the following assumptions:

- (a) The estimated fees and expenses to be incurred by the Company in connection with the Proposed Placement are approximately S\$25,000;
- (b) Net Proceeds of S\$155,000 being used to settle existing liabilities of the Company;
- (c) For the purpose of computing the net tangible asset (“NTA”) per share of the Group after the Proposed Placement, it is assumed that the Proposed Placement was completed on 31 March 2016; and
- (d) For the purpose of computing the earnings per share (“EPS”) of the Group after the Proposed Placement, it is assumed that the Proposed Placement was completed on 1 April 2015.

Share Capital	Before the Proposed Placement	After the Proposed Placement
Number of issued Shares	1,051,304,250	1,231,304,250
Amount of share capital	44,010	44,165

NTA	Before the Proposed Placement	After the Proposed Placement
NTA (S\$)	(1,052)	(897)
Number of Shares ('000)	1,051,304	1,231,304
NTA per share (Singapore cents)	(0.10)	(0.07)

EPS	Before the Proposed Placement	After the Proposed Placement
Loss for the year	(4006)	(4006)
Number of Shares ('000)	964,564	1,144,564
Loss per Share (Singapore cents)	(0.42)	(0.35)

Note:

* NTA per share is calculated based on 1,051,304,250 Shares in issue as at 31 March 2016 before the Proposed Placement and 1,231,304,250 Shares in issue after the Proposed Placement.

** EPS is calculated based on 964,564,524, weighted average number of Shares in issue before the Proposed Placement and 1,144,564,524 Shares in issue after the Proposed Placement.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Under Rule 803 of the Catalist Rules, the Proposed Placement will not result in the transfer of a controlling interest in the Company.

None of the Directors, substantial shareholders or persons falling under Rule 812(1) of the Catalist Rules has any interest, direct or indirect, in the Proposed Placement.

There are no directors proposed to be appointed to the Company in connection with the Proposed Placement.

9. 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	%
Directors												
Lim Yeow Sun	1,200,000	0.11%	–	–	1,200,000	0.11%	1,200,000	0.10%	–	–	1,200,000	0.10%
Hong Seong Soo	–	–	–	–	–	–	–	–	–	–	–	–
Kun Swee Tiong Andy	–	–	–	–	–	–	–	–	–	–	–	–
Chng Hee Kok	–	–	–	–	–	–	–	–	–	–	–	–
Substantial Shareholders												
Chew Ha Seng	4,817,597	0.46%	137,758,000	13.10%	142,575,597	13.56%	4,817,597	0.39%	137,758,000	11.19%	142,575,597	11.58%
Doris Chung Gim Lian	137,758,000	13.10%	4,817,597	0.46%	142,575,597	13.56%	137,758,000	11.19%	4,817,597	0.39%	142,575,597	11.58%
KKI International Limited	120,000,000	11.41%	–	–	120,000,000	11.41%	120,000,000	9.75%	–	–	120,000,000	9.75%
Atlas Capital Pte Ltd	24,210,000	2.30%	120,000,000	11.41%	144,210,000	13.71%	24,210,000	1.97%	120,000,000	9.75%	144,210,000	11.71%
Lim Hui Mei Stephanie	–	–	144,210,000	13.71%	144,210,000	13.71%	–	–	144,210,000	11.71%	144,210,000	11.71%
Liang Jen Nicholas	–	–	–	–	–	–	–	–	–	–	–	–
Remigius Oei	166,857,758	15.87%	–	–	166,857,758	15.87%	166,857,758	12.35%	–	–	166,857,758	13.55%
Placee												
Advance Opportunities Fund I	–	–	–	–	–	–	180,000,000	14.62%	–	–	180,000,000	14.62%
Public					596,460,895	56.74%					596,460,895	48.44%
TOTAL					1,051,304,250	100.00%					1,231,304,250	100.00%

Note:

- Mr Chew Hua Seng and Doris Chung Gim Lian are deemed interested in each other's Shares as they are spouses.
- Atlas Capital Pte Ltd is deemed interested in 120,000,000 Shares in Infinio Group Limited held by KKI International Limited as Atlas Capital Pte Ltd owns 100% of KKI International Limited.
- Ms Lim Hui Mei Stephanie is deemed interested in 24,210,000 Shares in Infinio Group Limited held by Atlas Capital Pte Ltd and 120,000,000 Shares in Infinio Group Limited held by KKI International Limited Ms Lim Hui Mei Stephanie owns 70% of Atlas Capital Pte Ltd.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Placement Agreement is available for inspection at the registered office of the Company 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.

11. TRADING CAUTION

Shareholders and potential investors of the Company should note that the Proposed Placement may or may not proceed subject to, among other things, the conditions precedent as set out in the Placement Agreement 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.

12. 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 Placement, 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 Proposed Placement in due course.

BY ORDER OF THE BOARD

INFINIO GROUP LIMITED

Lim Yeow Sun
Executive Director
26 January 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 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. Liau H. K.
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