

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

**MATERIAL ADJUSTMENT BY INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017 (“FY2017”) AND MATERIAL
ADJUSTMENTS BETWEEN THE UNAUDITED ANNOUNCED AND AUDITED RESULTS FOR
FY2017**

**MATERIAL ADJUSTMENTS BETWEEN THE UNAUDITED ANNOUNCED AND AUDITED
RESULTS FOR FY2017**

In compliance with Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited Section B: Rules of Catalist (“**Catalist Rules**”), the Company wishes clarify the following;

In the full year announcement released on 30 May 2017, the Company announced a net loss of \$1,017,000. In the audited financial statement, the net loss for the year was \$1,246,000.

The material difference of \$229,000 has arisen due to amortisation charge on Mining Rights of \$123,000 and under-accrual of expenses and exchange differences of \$119,000 respectively. This was offset by an under-recognition of other income arising from sale of mining assets of \$13,000.

As at the balance sheet, the Directors classified the Birthday Mine as “asset held for sale” and reclassified mining rights to “Assets held for sale” of \$1,903,000 after recognising an amortisation charge of \$123,000 on Mining Rights. Management does not rule out the possibility of cooperating with interested third parties to jointly explore and develop the Birthday Mine, if such opportunity arises.

The difference in the cash flow statement arises mainly due to amortisation charge on Mining Rights and reclassification of unsecured third parties’ interest-bearing loans from “net cash used in operating activities” to “net cash generated from financing activities”. There is no overall net effect on the consolidated statement of cash flows.

The differences between the previously announced results and the audited results for FY2017 with the explanations for the material differences are set out below.

	Unaudited \$'000	Audited \$'000	Difference \$'000	Note
Consolidated statement of comprehensive income for the financial year ended 31 March 2017:				
Revenue	-	-	-	
Cost of sales	-	-	-	
Gross profit	-	-	-	
Other income	15	28	(13)	[1]
General and administrative expenses	(946)	(1,188)	242	[1],[2]
Finance cost	(86)	(86)	-	
Loss before taxation	(1,017)	(1,246)	229	
Income tax expense	-	-	-	
Loss for the year	(1,017)	(1,246)	229	

Other comprehensive loss after tax:	-	-	-
Currency translation differences	-	(15)	15
Total comprehensive loss for the year	(1,017)	(1,261)	244

Notes:

[1] – Gain arising from sale of certain mining assets not recorded previously.

[2] - Amortisation charge on Mining Rights of \$123,000 and under-accrual of expenses and exchange difference of \$119,000.

	Unaudited	Audited	Difference	
	\$'000	\$'000	\$'000	
Non-current assets				
Plant and equipment	-	-	-	
Mining rights	2,026	-	2,026	[1]
Investment in subsidiaries	-	-	-	
	2,026	-	2,026	
Current assets				
Trade and other receivables	40	44	(4)	
Cash and cash equivalents	5	5	-	
	45	49	(4)	
Assets held for sale	-	1,903	(1,903)	[1]
Total assets	2,071	1,952	119	
Equity and Liabilities				
Share capital	44,010	44,010	-	
Translation reserves	(43)	(58)	15	
Accumulated losses	(46,011)	(46,239)	228	See P/L explanation
	(2,044)	(2,287)	243	
NON-Controlling Interests	(25)	(26)	1	
Total Equity	(2,069)	(2,313)	244	
Current liabilities				
Trade and other payables	2,929	2,960	(31)	[2][3]
Borrowings	1,211	1,305	(94)	[3]
Total liabilities	4,140	4,265	(125)	
Total equity and liabilities	2,071	1,952	119	

Notes:

[1] - Amortisation charge of \$123,000 on Mining Rights and reclassification of mining rights to “ Asset Held for Sale” of \$1,903,000

[2] – Mainly due to under-accrual of expenses of \$119,000 and reclassification of accounts and

subsequent reclassification of unsecured third parties' interest-bearing loans of \$94,000 to "borrowings".

[3] - Reclassification of unsecured third parties' interest-bearing loan totalling \$94,000 from "trade and other payables".

	Unaudited \$'000	Audited \$'000	Difference \$'000	
Cash flows from operating activities				
Loss for the year	(1,017)	(1,246)	229	See P/L reconciliation [1]
Adjustment for amortisation of mining rights	-	123	(123)	
Operating loss before working capital changes	(1,017)	(1,123)	106	
Changes in working capital:				
Trade and other receivables	(5)	(9)	4	
Trade and other payables	694	710	(16)	
Net cash used in operating activities	(328)	(422)	94	[2]
Cash flows from financing activities:				
Proceeds from loans	461	1,230	(769)	
Repayment of loans	(132)	(807)	675	
Net cash generated from financing activities	329	423	(94)	[2]
Net increase in cash and cash equivalents	1	1	-	
Cash and cash equivalents at beginning of year	4	4	-	
Cash and cash equivalents at end of year	5	5	-	

Notes:

[1] - Amortisation charge on Mining Rights amounting to \$123,000

[2] – Reclassification of unsecured third parties' interest-bearing loans amounting to \$94,000

The Company confirms that there were no disagreements with the Company's external auditor, Foo Kon Tan LLP, on the accounting treatment.

BY ORDER OF THE BOARD
INFINIO GROUP LIMITED

Lim Yeow Sun
Executive Director
12 July 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 as well as the explanation on the material adjustments.

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.

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