

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INFINIO GROUP LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Infinio Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Emphasis of Matter

We draw your attention to Note 2 to the financial statements. The Group incurred losses and total comprehensive loss of S\$3,394,000 and S\$3,381,000 (2014: S\$1,598,000 and S\$1,639,000) and reported net operating cash outflows of S\$976,000 (2014: S\$1,719,000) for the financial year ended 31 March 2015; and as at that date, the Group's and the Company's current liabilities exceeded the Group's and the Company's current assets by S\$2,657,000 and S\$2,472,000 (2014: S\$2,724,000 and S\$2,517,000) respectively. The Group and the Company funded its operations and corporate actions from the issuance of equity linked redeemable structured convertible notes ("Convertible Notes") to the Subscribers of the Convertible Notes. During the financial year, fresh proceeds of S\$1.2 million were raised from the subscription of the Convertible Notes. However, such proceeds raised were insufficient to settle the accrued purchase consideration in connection with the acquisition of Summit Light Venture Ltd completed in FY2014 and to meet the normal operating cash flows commitments. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern and for its listing status to be maintained.

Subsequent to year end, the Company received a letter of financial support from a major shareholder that they will provide continuing financial support to the Group and the Company as and when its liabilities fall due. The validity of the going concern assumption on which these financial statements are prepared depends on the ability of the management to raise new funds from lenders, third parties and shareholders or through the injection or acquisition of new businesses to meet its liabilities and its normal operating expenses to be incurred to enable the Group and the Company to continue as a going concern.

If the Group and the Company are unable to generate sufficient revenues and/or raise new funds from lenders, third parties and shareholders or through the injection or acquisition of new businesses, it may not be able to continue in operational existence for the foreseeable future, and the Group and the Company may be unable to discharge its liabilities in the normal course of business. Adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify non-current assets as current assets, and to provide further liabilities that may arise. No such adjustments have been made to these financial statements. In forming our opinion, we have considered the adequacy of the disclosure of this matter in the financial statements. Our opinion is not qualified in respect of this matter.

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Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Other Matter

The financial statements of the Group and the Company for the financial year ended 31 March 2014 were audited by another firm of certified public accountants whose report dated 4 July 2014 expressed a modified opinion on those financial statements.

The predecessor auditors highlighted in their 2014 audit report that included in the current liabilities presented in the statements of financial position was an amount of S\$1,294,537 recognised by the Group arising from discontinued operations. The predecessor auditors were unable to satisfy themselves even through alternative audit procedures to obtain sufficient and appropriate audit evidence to determine whether the Group is required to recognise the total liabilities of the discontinued operations of S\$1,294,537, and if required, whether the recorded liabilities were fairly stated, which formed the basis of the qualified audit opinion on the financial statements for the financial year ended 31 March 2014.

The modification has been resolved in the current year in Note 28 as described. Therefore, the matter reported in 2014 audit report did not have an effect on the financial statements for the financial year ended 31 March 2015.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
6 July 2015