

CIRCULAR DATED 15 APRIL 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents of this Circular or the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

The purpose of this Circular is to provide Shareholders (defined herein) with information relating to, and to seek Shareholders' approval for, the Proposed Share Consolidation (defined herein) to be tabled at the forthcoming annual general meeting of S i2i Limited (the "**Company**") to be held on 30 April 2015 at 11:00 a.m. at 10, Eunos Road 8, Singapore Post Centre, Singapore 408600.

The ordinary resolution proposed to be passed in respect of the Proposed Share Consolidation is set out in the Notice of AGM (defined herein). The Notice of AGM and the Proxy Form (defined herein) are enclosed with the Annual Report 2014 (defined herein).

If you have sold or transferred all your ordinary shares in the capital of the Company, you should immediately forward this Circular, the Annual Report 2014 and the Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or the transfer was effected, for onward transmission to the purchaser or the transferee.

Your attention is drawn to paragraph 7 of this Circular in respect of the actions to be taken if you wish to attend and vote at the AGM.

The SGX-ST (defined herein) assumes no responsibility for the accuracy or correctness of any of the statements or opinions made or reports contained in this Circular.

The approval in-principle granted by the SGX-ST is only for the listing and quotation of the Consolidated Shares (defined herein) on the Official List of the SGX-ST, and is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, the Company, and/or its subsidiaries



(formerly Spice i2i Limited)
(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

CIRCULAR TO SHAREHOLDERS

in relation to

**THE PROPOSED CONSOLIDATION OF EVERY 400 EXISTING ORDINARY SHARES INTO
ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	28 April 2015 at 11:00 a.m.
Date and time of Annual General Meeting	:	30 April 2015 at 11:00 a.m.
Place of Annual General Meeting	:	10, Eunos Road 8, Singapore Post Centre, Singapore 408600

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “2014 ESOP”** : The 2014 Employee Stock Option Plan of the Company (adopted on 15 April 2014), as modified or altered from time to time.
- “2014 ESOP Options”** : The rights to subscribe for Shares granted under the 2014 ESOP and for the time being subsisting.
- “AGM”** : The forthcoming annual general meeting of the Company to be held on 30 April 2015.
- “Annual Report 2014”** : The Company’s annual report for FY2014.
- “Articles”** : The Articles of Association of the Company, as modified or altered from time to time.
- “Board”** : The board of directors of the Company.
- “Books Closure Date”** : The time and date, to be determined by the Directors, at and on which the Register of Members and Share Transfer Book of the Company will be closed to determine the entitlements of Shareholders to the Consolidated Shares under the Proposed Share Consolidation.
- “CDP”** : The Central Depository (Pte) Limited.
- “Circular”** : This circular to shareholders dated 15 April 2015.
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore.
- “Company”** : S i2i Limited.
- “Concessionary Period”** : Period of one (1) month commencing from the Effective Trading Date, or such other period as the Directors deem appropriate, during which a temporary counter is set up and maintained to allow Shareholders to trade in board lots of one (1) Consolidated Share or such other number of Consolidated Shares as the SGX-ST may approve, further details of which are set out in paragraph 2.6 of this Circular.
- “Consolidated Shares”** : Shares in the capital of the Company after completion of the Proposed Share Consolidation.
- “Directors”** : The directors of the Company from time to time.
- “Effective Trading Date”** : The date on which the Shares will trade on the SGX-ST in board lots of 100 Consolidated Shares, as referenced in paragraphs 2.3, 2.4 and 2.5.

DEFINITIONS

“EPS”	:	Earnings per Share.
“Existing Shares”	:	Shares in the capital of the Company prior to the Proposed Share Consolidation.
“FY”	:	The financial year ended 31 December.
“FY2014 Unaudited Financial Statements”	:	The unaudited consolidated financial statements of the Group for FY2014.
“Group”	:	The Company and its subsidiaries.
“Latest Practicable Date”	:	27 March 2015, being the latest practicable date prior to the printing of this Circular.
“Listing Manual”	:	The Listing Manual of the SGX-ST as amended or modified from time to time.
“Notice of AGM”	:	Notice of the forthcoming annual general meeting of the Company to be held on 30 April 2015.
“NTA”	:	Net tangible assets.
“Proposed Share Consolidation”	:	The proposed consolidation of every 400 Existing Shares held by Shareholders at the Books Closure Date into one (1) Consolidated Share, on the terms set out in this Circular and the Notice of AGM.
“Proxy Form”	:	The proxy form in respect of the AGM as enclosed with the Annual Report 2014.
“Register of Members”	:	The register of members of the Company.
“S i2i ESOS II”	:	The 1999 S i2i Employee Share Option Scheme II, which expired on 29 September 2009. Options granted under the S i2i ESOS II remain valid notwithstanding the expiry of the S i2i ESOS II.
“S i2i ESOS II Options”	:	The rights to subscribe for Shares granted under the S i2i ESOS II and for the time being subsisting.
“Securities Accounts”	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.

DEFINITIONS

“Shareholders”	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose Securities Accounts are credited with Shares.
“Shares”	:	Ordinary shares in the capital of the Company.
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Substantial Shareholder”	:	A person who has an interest, directly or indirectly, in not less than five per cent. (5%) of all the voting shares in the Company.
“S\$”	:	Singapore dollars, the lawful currency of the Republic of Singapore.
“%” or “per cent.”	:	Per centum or percentage.

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The terms **“control”**, **“Market Day”** and **“subsidiary”** shall have the meanings ascribed to them respectively in the Listing Manual unless otherwise defined.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day, in this Circular, is made by reference to Singapore time.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

LETTER TO SHAREHOLDERS

S i2i LIMITED

(formerly Spice i2i Limited)
(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

Directors:

Mr. Thomas Henrik Zilliacus (Lead Independent Director)
Mr. Hanif M. Dahya (Independent Director)
Mr. Ashok Kumar Goyal (Non-Independent Non-Executive Director)
Mr. Maneesh Tripathi (Executive Director and Group CEO)

Registered Office:

152 Ubi Avenue 4,
Level 4, Smart Innovation
Centre, Singapore 408826

To: The Shareholders of S i2i Limited

Dear Sir/Madam,

1. INTRODUCTION

- 1.1** The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval at the AGM to be held on 30 April 2015 for, *inter alia*, the Proposed Share Consolidation.
- 1.2** This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any person (other than the Shareholders to whom this Circular is despatched by the Company) or for any other purpose.

2. THE PROPOSED SHARE CONSOLIDATION

2.1 Introduction

On 13 March 2015, the Board announced that the Company is proposing to seek Shareholders' approval to undertake the Proposed Share Consolidation pursuant to which the Company proposes to consolidate every 400 Existing Shares into one (1) Consolidated Share as at the Books Closure Date (to be determined by the Directors as they deem fit in their absolute discretion), fractional entitlements to be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

Accordingly, subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the AGM, Shareholders' holding of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date. After the Books Closure Date, every 400 Existing Shares registered in the name of each Shareholder will be consolidated to constitute one (1) Consolidated Share.

The Shareholders should note that, upon completion of the Proposed Share Consolidation, the number of Consolidated Shares which Shareholders will be entitled to, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share, and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. Shareholders should note that, in the event the Directors, in their absolute discretion, decide to cancel the aggregated fractions of Consolidation Shares arising from the Proposed Share Consolidation, affected Shareholders will not be paid for such fractional shares cancelled and not issued.

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Each Consolidated Share will rank *pari passu* with each other, and will be traded in board lots of 100 Consolidated Shares.

The Proposed Share Consolidation will not involve any diminishing of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation.

As at the Latest Practicable Date, the Company has a share capital of S\$590,514,532 divided into 5,484,980,836 Existing Shares, and the Company's six-month volume weighted average Share price is S\$0.0045. For illustrative purposes only, (i) on the assumption that the Company will have an issued and paid-up share capital of S\$590,514,532 comprising approximately 13,712,452 Consolidated Shares upon completion of the Proposed Share Consolidation; and (ii) based on the Company's six-month volume weighted average Share price of S\$0.0045 as at the Latest Practicable Date, upon completion of the Proposed Share Consolidation, the theoretical adjusted six-month volume weighted average Share price based on the Consolidated Shares will be S\$1.80.

2.2 Rationale for the Proposed Share Consolidation

A minimum trading price of S\$0.20 as a continuing listing requirement for Mainboard-listed issuers (the "**MTP Requirement**") was implemented as of 2 March 2015. A transition period of 12 months from the date of implementation will be given to affected issuers to undertake corporate actions to meet the MTP Requirement. Those which are unable to meet the MTP Requirement after the 12-month transition period will be placed on the SGX-ST watch-list (the "**Watch-list**"). Affected issuers on the Watch-list that are unable to comply with the MTP Requirement will be delisted after a further 36-month cure period which ends on 28 February 2019.

Notwithstanding the Company's inclusion on the Watch-list on 4 March 2015, the Board intends to fully comply with the MTP Requirement as part of its continuing listing obligations, and has therefore proposed the Proposed Share Consolidation. Having regard to historical trading prices and possible fluctuations in trading prices, the Board believes that a sufficient buffer has been provided in arriving at the proposed share consolidation ratio of 400 Existing Shares into one (1) Consolidated Share.

Shareholders should, however, note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3 Conditions for the Proposed Share Consolidation

Pursuant to Article 54 of the Articles, the implementation of the Proposed Share Consolidation is subject to Shareholders' approval by way of an ordinary resolution at the AGM.

On 25 March 2015, the Company announced that it had received the in-principle approval from the SGX-ST for the listing and quotation of the Consolidated Shares on the Mainboard of the SGX-ST, subject to:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) Shareholders' approval for the Proposed Share Consolidation at the AGM.

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The approval in-principle granted by the SGX-ST is only for the listing and quotation of the Consolidated Shares on the Official List of the SGX-ST, and is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, the Company, and/or its subsidiaries.

Assuming that the abovementioned approval of the Shareholders is duly obtained at the AGM, the Directors will fix the Books Closure Date at such date and time as they deem fit in the interests of the Company. Once the Directors have fixed the Books Closure Date, an announcement will be made by the Company in due course to notify Shareholders of the Books Closure Date and the Effective Trading Date.

However, Shareholders should note that whilst the Board is seeking Shareholders' approval for the Proposed Share Consolidation, the Directors may decide not to proceed with the Proposed Share Consolidation if the Directors are of the view that, after taking into account all relevant factors, it is not beneficial to the Company to do so. In such a case, an announcement will be made by the Company to notify Shareholders of the reasons why the Directors have decided not to proceed with the Proposed Share Consolidation.

2.4 Updating of Register of Members and Depository Register

If Shareholders at the AGM approve the Proposed Share Consolidation, Shareholders' entitlement of the Consolidated Shares will be determined on the Books Closure Date. The Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders, and the Shares will begin trading in board lots of 100 Consolidated Shares on the Effective Trading Date.

2.4.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the Existing Shares in their own names ("**Old Share Certificates**") and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP must deposit their Old Share Certificates, together with duly executed instruments of transfer in favour of CDP, no later than 12 Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of share certificates for Consolidated Shares ("**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Books Closure Date must first deliver their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 for cancellation and issuance of New Share Certificates in replacement thereof as described below.

2.4.2 Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least 12 Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

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Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible after they have been notified of the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of Shareholders at their own risk within 10 Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Members.

Shareholders shall deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Books Closure Date.

2.4.3 Share Certificates Not Valid for Settlement of Trades on the SGX-ST

Shareholders are reminded that their physical share certificates are not valid for settlement of trading in the Shares on the SGX-ST, as the Company is under a book-entry (scripless) settlement system, but will continue to be accepted by the Share Registrar for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period. The New Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be *prima facie* evidence of legal title.

2.5 Trading Arrangements for the Consolidated Shares

Subject to the approval for the Proposed Share Consolidation by Shareholders at the AGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Shares will be in board lots of 100 Consolidated Shares. Accordingly, 400 Existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the Existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

2.6 Trading Arrangements for Odd Lots

All fractional entitlements arising upon the implementation of the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

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The Existing Shares are currently traded in board lots of 100 Shares. Following the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of 100 Shares).

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots on the SGX-ST should note that the unit share market allows trading in odd lots with a minimum size of one Consolidated Share on the SGX-ST. The unit share market allows trading in odd lots in any quantity less than one (1) board lot of the underlying Consolidated Shares.

The Company will apply to the SGX-ST to set up a temporary counter to allow Shareholders to trade in board lots of one (1) Consolidated Share or such other number of Consolidated Shares as the SGX-ST may approve. If approval from the SGX-ST is obtained, this temporary trading counter will be maintained for the duration of the Concessionary Period.

Thereafter, Shareholders can trade in odd lots of Consolidated Shares on the SGX-ST's unit share market. The set-up of the temporary odd lot counter is strictly of a provisional nature. Shareholders who continue to hold odd lots of less than 100 Consolidated Shares after the Concessionary Period may find difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Consolidated Shares.

The Company will make further announcements on the setting up of such a temporary counter when the outcome of its application to the SGX-ST is known.

2.7 Adjustments to Employee Share Options

As at the Latest Practicable Date, 547,645 S i2i ESOS II Options and 274,200,000 2014 ESOP Options remained unexercised. The Company will make the relevant adjustments to the number and/or exercise price of the unexercised S i2i ESOS II Options and the 2014 ESOP Options respectively, to take into account the effects of the Proposed Share Consolidation. Further announcement(s) will be made by the Company in respect of such adjustments as and when appropriate.

2.8 Financial Effects of the Proposed Share Consolidation

For illustrative purposes only and based on the assumptions set out below and the FY2014 Unaudited Financial Statements, the financial effects of the Proposed Share Consolidation on the Company and/or the Group are set out below:

2.8.1 Assumptions

For the purposes of this paragraph 2.8, the following assumptions apply:

- (a) the *pro forma* financial effects of the Proposed Share Consolidation on the share capital, NTA per Share, EPS and gearing of the Company and/or the Group are illustrative and do not reflect the actual future financial situation of the Company and/or the Group after the completion of the Proposed Share Consolidation;

LETTER TO SHAREHOLDERS

- (b) the number of Shares for the financial effects relating to the NTA per Share and the share capital of the Company are based on 5,484,980,836 issued Shares as at 31 December 2014; and
- (c) there is no issuance of Shares arising from the exercise of employee share options or otherwise.

2.8.2 Share Capital

	<u>As at 31 December 2014</u>	
	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
Issued and Paid Up Capital (S\$'000)	590,515	590,515
Number of Shares	5,484,980,836	13,712,452

2.8.3 NTA per Share

	<u>As at 31 December 2014</u>	
	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
NTA (S\$'000)	58,095	58,095
Number of Shares	5,484,980,836	13,712,452
NTA per Share (Singapore cent)	1.06	4.24

2.8.4 EPS

	<u>FY2014</u>	
	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
Loss attributable to shareholders (S\$'000)	57,247	57,247
Weighted average number of Shares	5,484,980,836	13,712,452
EPS (Singapore cent)	(1.04)	(4.17)

2.8.5 Gearing

The Proposed Share Consolidation will not affect the gearing of the Company and of the Group.

LETTER TO SHAREHOLDERS

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares, the S i2i ESOS II Options and 2014 ESOP Options as at the Latest Practicable Date, as recorded in the Register of Directors and the Register of Substantial Shareholders maintained under the provisions of the Companies Act, are set out below:

3.1 Interests in Shares

	<u>Direct Interests</u>		<u>Deemed Interests</u>		<u>Total Interests</u>	
	<u>Number of Shares</u>	<u>%</u>	<u>Number of Shares</u>	<u>%</u>	<u>Number of Shares</u>	<u>%</u>
<u>Directors</u>						
Mr. Thomas Henrik Zilliacus	2,400,000	0.04	–	–	2,400,000	0.04
Mr. Ashok Kumar Goyal ⁽²⁾	–	–	7,150,000	0.13	7,150,000	0.13
Mr. Hanif M. Dahya	–	–	–	–	–	–
Mr. Maneesh Tripathi	–	–	–	–	–	–
<u>Substantial Shareholders</u>						
Dr. Bhupendra Kumar Modi ⁽³⁾	–	–	1,671,580,940	30.48	1,671,580,940	30.48
Mr. Dilip Modi ⁽⁴⁾	–	–	1,455,568,754	26.54	1,455,568,754	26.54
Ms. Divya Tongya ⁽⁵⁾	–	–	1,455,568,754	26.54	1,455,568,754	26.54
S Global Innovation Centre Pte Ltd ^{(3a), (4), (5) & (6a)}	1,455,568,754	26.54	–	–	1,455,568,754	26.54
S Global Holdings Pte Ltd ⁽⁶⁾	164,264,186	2.99	1,490,116,754	27.17	1,654,380,940	30.16
Lee Foundation, States of Malaya ⁽⁷⁾	–	–	710,220,000	12.95	710,220,000	12.95
Lee Foundation ⁽⁸⁾	–	–	710,220,000	12.95	710,220,000	12.95
Lee Pineapple Company (Pte) Ltd ⁽⁹⁾	–	–	710,220,000	12.95	710,220,000	12.95
Paramount Assets Management Pte Ltd ^{(7) (8) & (9)}	710,220,000	12.95	–	–	710,220,000	12.95

Notes:

- (1) The above percentages are calculated based on the Company's share capital comprising 5,484,980,836 issued and paid-up Shares as at the Latest Practicable Date.
- (2) Mr. Ashok Kumar Goyal is deemed to be interested in 7,150,000 Shares held directly by Philip Securities Pte Ltd. in a nominee account.
- (3) Dr. Bhupendra Kumar Modi is deemed to be interested in 1,671,580,940 Shares comprising the following:
 - (a) 1,455,568,754 Shares held directly by S Global Innovation Centre Pte Ltd as S Global Innovation Centre Pte Ltd is controlled by Dr. Bhupendra Kumar Modi, Mr. Dilip Modi and Ms. Divya Tongya. By virtue of Section 7 of the Companies Act, Spice Global Investments Pvt Ltd, Orion Telecoms Ltd, Dai (Mauritius) Company Ltd, Falcon Securities Ltd, Guiding Star Ltd, Christchurch Investments Ltd, S Global Holdings Ltd, Prospective Infrastructure Pvt Ltd and Smart Ventures Private Ltd (previously "Si2i Mobility Private Ltd") are deemed to be interested in the 1,455,568,754 shares held through S Global Innovation Centre Pte Ltd;
 - (b) 164,264,186 Shares held directly by S Global Holdings Pte Ltd as S Global Holdings Pte Ltd is wholly-owned by Dr. Bhupendra Kumar Modi;
 - (c) 34,548,000 Shares held directly by Spice Bulls Pte Ltd as Spice Bulls Pte Ltd is wholly-owned by S Global Holdings Pte Ltd, which is in turn wholly-owned by Dr. Bhupendra Kumar Modi; and
 - (d) 17,200,000 Shares held directly by Innovative Management Pte Ltd as Innovative Management Pte Ltd is wholly-owned by Dr. Bhupendra Kumar Modi.

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- (4) Mr. Dilip Modi is deemed to be interested in 1,455,568,754 Shares held directly by S Global Innovation Centre Pte. Ltd. as S Global Innovation Centre Pte. Ltd. is controlled by Dr. Bhupendra Kumar Modi, Mr. Dilip Modi and Ms. Divya Tongya.
- (5) Ms. Divya Tongya is deemed to be interested in 1,455,568,754 Shares held directly by S Global Innovation Centre Pte. Ltd. as S Global Innovation Centre Pte. Ltd. is controlled by Dr. Bhupendra Kumar Modi, Mr. Dilip Modi and Ms. Divya Tongya.
- (6) S Global Holdings Pte Ltd is deemed to be interested in 1,490,116,754 Shares comprising the following:
- (a) 1,455,568,754 Shares directly held by S Global Innovation Centre Pte. Ltd.; and
- (b) 34,548,000 Shares held directly by Spice Bulls Pte Ltd as Spice Bulls Pte Ltd is wholly-owned by S Global Holdings Pte Ltd.
- (7) Lee Foundation, States of Malaya, by virtue of its interest in not less than 20% of the total issued share capital of Lee Pineapple Company (Pte) Ltd, is deemed to be interested in 710,220,000 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.
- (8) Lee Foundation, by virtue of its interest in not less than 20% of the total issued share capital of Lee Pineapple Company (Pte) Ltd, is deemed to be interested in 710,220,000 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.
- (9) Lee Pineapple Company (Pte) Ltd is deemed to be interested in 710,220,000 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.
- (10) Save as disclosed above, none of the Directors or substantial shareholders is related to one another in any way.

3.2 Interest in S i2i ESOS II Options

Director	As at the Latest Practicable Date	
	Total number of S i2i ESOS II Options granted	Total number of S i2i ESOS II Options exercisable
Mr. Thomas Henrik Zilliacus	547,645	547,645

3.3 Interest in 2014 ESOP Options

Director	As at the Latest Practicable Date	
	Total number of 2014 ESOP Options granted	Total number of 2014 ESOP Options exercisable
Mr. Thomas Henrik Zilliacus	54,850,000	— ⁽¹⁾
Mr. Maneesh Tripathi	54,850,000	— ⁽¹⁾
Mr. Ashok Kumar Goyal	164,500,000	— ⁽¹⁾

Note:

- (1) These 2014 ESOP Options were granted on 27 March 2015 and are exercisable two (2) years from the date of grant.

- 3.4** Save for their respective shareholding interests in the Company, none of the Directors and Substantial Shareholders or their respective associates have any interest, direct or indirect, in the Proposed Share Consolidation.

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4. DIRECTORS' RECOMMENDATIONS

The Directors, having considered the rationale and terms of the Proposed Share Consolidation, are of the opinion that the Proposed Share Consolidation is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Share Consolidation to be proposed at the AGM.

5. ANNUAL GENERAL MEETING

The AGM will be held at 10, Eunos Road 8, Singapore Post Centre, Singapore 408600 on 30 April 2015 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification the ordinary resolution for the Proposed Share Consolidation as set out in the Notice of AGM.

6. NOTICE OF BOOKS CLOSURE DATE

The Books Closure Date for the purpose of determining Shareholders' entitlements pursuant to the Proposed Share Consolidation will be announced in due course.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of Proxies

Shareholders who are unable to attend the AGM and wish to appoint a proxy or proxies to attend and vote at the AGM on their behalf will find attached to the Annual Report 2014 a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the AGM if he finds he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

7.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat, unless his name appears on the Depository Register at least 48 hours before the time appointed for the AGM.

8. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 152 Ubi Avenue 4, Level 4, Smart Innovation Centre, Singapore 408826 during normal business hours from the date of this Circular up to the date of the AGM:

- (a) the Annual Report 2014; and
- (b) the memorandum and articles of association of the Company.

LETTER TO SHAREHOLDERS

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Share Consolidation and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular 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 the Circular in its proper form and context.

Yours faithfully

For and on behalf of
The Board of Directors of S i2i Limited

Mr. Maneesh Tripathi
Executive Director and Group CEO

