

CHANGE OF FINANCIAL YEAR END

Change in financial year end

1. The Company wishes to announce the change of its financial year end ("**FYE**") from 30 June to 31 December.
2. In line therewith, the Company is procuring its subsidiaries to also change their financial year end from 30 June to 31 December in accordance with the laws of the countries where the subsidiaries are incorporated.
3. To this end, the Company has obtained an extension of time to hold its annual general meeting ("**AGM**") under the Companies Act ("**Act**") from the Accounting and Corporate Regulatory Authority.

Implications

4. Following the change in financial year end, the current financial year will cover a period of 18 months from 1 July 2012 to 31 December 2013.
5. Accordingly, the Company will be releasing its 5th quarter results latest by 14 November 2013 and its financial results for the 18-month period from 1 July 2012 to 31 December 2013 latest by 1 March 2014, in accordance with Rule 705 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").
6. The Company proposes to release financial information in relation to the 5th quarter ended 30 September 2013 and the 6th quarter ended 31 December 2013 in the following format:
 - (a) For the 5th quarter ended 30 September 2013, the Company will provide:-
 - (i) a comparison against the calendar quarter ended 30 September 2012; and
 - (ii) a comparison of the 15-month period ended 30 September 2013 against the 15-month period ended 30 September 2012.
 - (b) For the 6th quarter and financial period ended 31 December 2013, the Company will provide:-
 - (i) a comparison against the calendar quarter ended 31 December 2012; and
 - (ii) a comparison of the 18-month period ended 31 December 2013 against the 15-month period ended 30 June 2012.
 - (c) For the 6th quarter ended 31 December 2013, the Company will in the usual course provide a full year comparison of the 18-month period ended 31 December 2013 against the previous financial year's 15-month period ended 30 June 2012 as indicated above. In addition, the Company will provide an

income statement giving a comparison of the 18-month period ended 31 December 2013 against the 18-month period ended 31 December 2012.

7. In accordance with Rule 707 of the Listing Manual, the Company will hold its next AGM on or before 15 April 2014.

Rationale for change

8. The Company and its subsidiaries (the “**Group**”) has its major investments in the Asia pacific region, which now includes several subsidiaries in Indonesia (the “**Indonesian Subsidiaries**”).
9. The Indonesian Subsidiaries are required under Indonesian income tax laws to be subject to tax review by the Indonesian tax authorities. Certain components in the financial accounts of the Indonesian Subsidiaries would be reviewed by the authorities on a calendar year basis (i.e. 1 January to 31 December) regardless whether the financial year coincides with the calendar year.
10. It is good customary practice to perform an independent audit of the accounts for the calendar year for the purposes of the tax review. Accordingly, the Indonesian Subsidiaries would commission an independent audit of their accounts for the calendar year for purposes of submission to tax review.
11. However, the Group currently prepares audited accounts in respect of a FYE of 30 June for the purposes of financial reporting under the Act and the Listing Manual.
12. Accordingly, in addition to the independent audit for tax purposes, the Indonesian Subsidiaries have to separately commission an independent audit in respect of an FYE of 30 June to accommodate the Company’s financial reporting.
13. This result in an additional set of external audit costs and internal resources and effort have to be expended to support such audit.
14. Since the beginning of 2012, the Indonesian business has become the predominant part of the Group’s business.
15. The Company has, therefore, changed its existing FYE from 30 June to 31 December to coincide with the calendar year, so that its Indonesian Subsidiaries need not commission an additional audit of the accounts merely for tax review purposes.

By Order of the Board

Maneesh Tripathi
Chief Executive Officer
S i2i Limited
23rd October 2013