S I2I LIMITED
(Formerly known as Spice i2i Ltd.)
(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

CONVERTIBLE LOAN

1. INTRODUCTION

The Board of Directors of S I2I Limited (the "**Company**") wishes to announce that the Company and Globalroam Group Ltd ("**Globalroam**") (collectively with the Company, the "**Parties**") had on 24 September 2014 entered into Deed of Addendum (the "**Deed**") in respect of a loan agreement dated 5 March 2008 entered into between the Parties.

Pursuant to such loan agreement, the Company had advanced to Globalroam a term loan of a principal amount of S$5,500,000, which was subsequently amended by a deed of amendment dated 28 September 2009 (such loan agreement as amended by the deed of amendment will hereinafter be referred to as the "**Loan Agreement**").

Pursuant to the Deed, the Parties had agreed to reschedule the loan under the Loan Agreement (the "**Rescheduling**").

Save as expressly amended or modified in the Deed, all the terms and conditions of the Loan Agreement shall continue to apply and have full force and effect.

2. THE LOAN AGREEMENT

2.1 Information of the Loan Agreement

In conjunction with the Loan Agreement, Globalroam had executed a Deed Poll dated 30 April 2008 issuing 13,414,634 warrants ("**Warrants**") to the Company on 30 April 2008. The Company had on 26 April 2013 given written notice to Globalroam, informing Globalroam of its decision not to exercise any Warrants.

In accordance with the terms of the Loan Agreement, upon the issue of the written notice by the Company to Globalroam, (i) the Warrants had lapsed and ceased to be valid for any purpose as at 30 April 2013 and (ii) interest would accrue on the outstanding loan amounting to S$5,500,000 (the "**Loan Balance**") at a rate of 5% per annum, for the period from 30 April 2013 to 30 April 2015.

From the period commencing from 30 April 2013 to 22 September 2014, the total accrued interest amounts to S$384,246.53 (the "**Accrued Interest**" and together with the Loan Balance, the "**Outstanding Amount**").

2.2 Revised Repayment Terms of the Loan Agreement

Pursuant to the Deed, the Outstanding Amount shall be repaid by Globalroam to the Company as

follows:

(a) **Cash Repayment.** S$2,000,000 of the Loan Balance shall be repaid in cash to the Company (the "**Cash Repayment**") as follows:

(i) 10% of the Cash Repayment, amounting to S$200,000 shall be paid no later than 31 October 2014;

(ii) 30% of the Cash Repayment, amounting to S$600,000 shall be paid no later than 31 December 2014; and

(iii) the remaining balance of the Cash Repayment, amounting to S$1,200,000 shall be paid on or before 31 March 2015, which may be extended for a further period of one (1) month at the absolute discretion of the Company.

(b) **Convertible Loan.** The Loan Balance less the Cash Repayment, amounting to S$3,500,000, and the Accrued Interest shall constitute a convertible loan facility granted by the Company to Globalroam (the "**Convertible Loan**"), on the terms and subject to the conditions as stated below.

3. PRINCIPAL TERMS OF THE CONVERTIBLE LOAN

The principal terms of the Convertible Loan include the following:

(a) **Convertible Loan:** The remainder of the Loan Balance and the Accrued Interest.

(b) **Maturity Date:** A period of two (2) years commencing from the date of the Deed.

(c) **Conversion into Ordinary Shares:** Pursuant to the Agreement, on the Maturity Date, the Convertible Loan shall subject to paragraph 3(d) of this Announcement, be converted into new ordinary shares in the capital of Globalroam (the "**Conversion Shares**"). The number of Conversion Shares to be issued by Globalroam to the Company shall be calculated in accordance with the following formula:

$$\text{Number of Conversion Shares} = \frac{\text{Convertible Loan}}{\text{X / Total number of ordinary shares}}$$

Notes:

(1) Where X = the higher of (i) the Equity Value of the Company, or (ii) the post-money valuation of the Company, based on the most recently completed investment in the Company.

(2) Equity Value means Enterprise Value less Net Debt.

(3) The Enterprise Value shall be the enterprise value of Globalroam as determined by an approved accounting firm appointed by mutual agreement of no later than six (6) months prior

to the Maturity Date, provided that the cost of the approved accounting firm shall be borne by Globalroam.

(4) Net Debt means total borrowings less cash and cash equivalents.

Upon Conversion, the Convertible Loan shall be deemed fully repaid and no longer outstanding.

(d) **Conditions to Conversion:** If the conversion of the Convertible Loan and the issue and allotment of Conversion Shares are subject to the Company obtaining shareholders' approval as required by applicable laws or the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Company shall:

(i) convert such portion of the Convertible Loan to the maximum extent possible without having to obtain shareholders' approval in compliance with the Listing Manual of the SGX-ST; and

(ii) discuss in good faith with Globalroam on a revised repayment schedule in relation to the balance of the Convertible Loan, provided that in the event the parties fail to reach an agreement within one (1) month of the Maturity Date, such balance of the Convertible Loan shall without demand become immediately due and payable.

(e) **Immediate Conversion:** Subject to paragraph 3(d) of this Announcement, in the event of a listing of Globalroam on a stock exchange prior to the Maturity Date ("**IPO**"), the Convertible Loan shall be automatically converted into ordinary shares in the capital of Globalroam ("**Pre-IPO Shares**"). The number of Pre-IPO Shares to be issued by the Company to the Creditor pursuant shall be computed in accordance with the following formula:

$$\text{Number of Pre-IPO Shares} = \frac{\text{Convertible Loan}}{\text{Y / Total number of ordinary shares}}$$

Notes:

(1) Where Y = the post-money Equity Value of the Company for the purpose of the IPO

(2) Equity Value means Enterprise Value less Net Debt.

(3) The Enterprise Value shall be the enterprise value of Globalroam as determined by an approved accounting firm appointed by mutual agreement of no later than six (6) months prior to the Maturity Date, provided that the cost of the approved accounting firm shall be borne by Globalroam.

(4) Net Debt means total borrowings less cash and cash equivalents.

(f) **Prepayment:** Globalroam may not prepay any portion of the Convertible Loan unless the Company gives its prior written consent.

(g) **Event of Default:** The events of default as listed in the Loan Agreement will apply to the

Convertible Loan. If at any time for any reason any of the listed events of default has occurred and is continuing, Globalroam shall have sixty (60) days from the date of occurrence of the event of default to remedy such default insofar as such default is capable of being remedied. If the default fails to be remedied within the aforesaid period, the Company may, by notice to Globalroam declare the Convertible Loan in whole or in part, immediately due and payable.

4. INFORMATION ON GLOBALROAM

Globalroam is a public company limited by shares incorporated in Singapore.

Globalroam is an IT company offering Integrated Communication Services. It aims to connect people across diverse media, transcending barriers created by technology across different platforms. This includes bridging the mobile world to the online world, at convenience and cost saving to end-users. It also encompasses using just one number for multiple services, without end users needing to obtain additional equipment.

5. RATIONALE FOR THE CONVERTIBLE LOAN

The Convertible Loan is for the purpose of rescheduling the loan under the Loan Agreement, and to allow Globalroam to raise additional funds and to restructure its business and to provide the Company with the opportunity to acquire equity in Globalroam at the Maturity Date. The Company is of the view that the provision of the Convertible Loan under the Deed would be beneficial to the Company.

6. FINANCIAL EFFECTS

6.1 Assumption

The pro forma financial effects of the Company presented below after the Rescheduling are strictly for illustration purposes and do not reflect the actual financial position of the Company after the issue of the Convertible Loan. The financial effects below have been prepared based on the Company's latest audited consolidated balance sheet (the "**Audited Accounts**") as at the 18 month financial period ended 31 December 2013 ("**FP 2013**").

The Company had also duly disclosed in the Audited Accounts that the value of the loan under the Loan Agreement was written down to S$3,336,981. The Company will also take into account the value of the rescheduled loan under the Deed for the purposes of its consolidated balance sheet for the current financial year.

6.2 NTA per share

The effects of the Rescheduling on the audited consolidated NTA per share of the Company for FP 2013, assuming that the Rescheduling had been effected on 31 December 2013, are summarised below:

	Before Conversion	**After Conversion**

NTA per share (US cents)	0.90	0.90

6.3 EPS

The effects of the Rescheduling on the audited consolidated EPS of the Company for FY 2013, assuming that the Rescheduling had been effected on 1 July 2012, are summarised below:

	Before Conversion	**After Conversion**
EPS (US cents)	(1.06)	(1.06)

7. RELATIVE FIGURES UNDER THE LISTING MANUAL 1006

The relative figures in relation to the Convertible Loan computed on the applicable bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), based on the Company's unaudited financial statements for the period ended 30 June 2014, being the latest announced consolidated financial statements of the Company as at the date of the Agreement, are as follows:

Rule	Description	Figure
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Company's net asset value.	Not Applicable(1)
Rule 1006(b)	The net profit attributable to the assets acquired, compared with the Company's net profit.	Not meaningful(2)
Rule 1006(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation.	14%(3)
Rule 1006(d)	The number of equity securities issued by the Company as consideration, compared with the number of equity securities previously in issue.	Not Applicable(4)

Notes:

(1) Not applicable as this is not a disposal.

(2) As mentioned in paragraph 3(c) of this Announcement, the number of Conversion Shares that will be issued to the Company pursuant to the conversion is dependent on the Enterprise Value of the Company, which will be determined no later than six (6) months prior to the Maturity Date (i.e. subsequent to this Announcement). Accordingly, the relative figure at Rule 1006(b) of the Listing

Manual will only be ascertainable at that time. The Company will make the relevant announcement in due course if required under Rule 10 of the Listing Manual.

(3) *The Company's market capitalization of approximately S$27,424,904 is based on its total number of issued shares of 5,484,980,836 ordinary shares and the weighted average price of S$0.005 per share on 23 September 2014, being the market day preceding the date of* the Deed.

(4) Not applicable as no shares will be issued by the Company.

Having regard to the relative figures computed under Rule 1006 (c), the Convertible Loan constitutes a discloseable transaction pursuant to Chapter 10 of the Listing Manual.

8. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and the controlling shareholders of the Company have any interest or are deemed to be interested in the Convertible Loan.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any Director who may have been delegated detailed supervision of the preparation of this announcement) have collectively and individually reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any 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.

BY ORDER OF THE BOARD

Maneesh Tripathi

Chief Executive Officer
S I2I LIMITED
24 September 2014