CIRCULAR DATED 6 APRIL 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all of your ordinary shares in the capital of S i2i Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the attached 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.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the accuracy or correctness of any of the statements made, opinions expressed or reports contained in this Circular.

S i2i Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CAPITAL REDUCTION AND CASH DISTRIBUTION TO SHAREHOLDERS

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	27 April 2016 at 4.30 p.m.
Date and time of Extraordinary General Meeting	:	29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place)
Place of Extraordinary General Meeting	:	10 Eunos Road 8, 5th Floor Auditorium, Singapore Post Centre, Singapore 408600

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DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout unless the context otherwise requires:

"1999 ESOS II"	:	The 1999 S i2i Employees' Share Option Scheme II which was approved and adopted by the Company in October 1999, and which had lapsed in the year 2009
"2014 ESOP"	:	The 2014 Employee Stock Option Plan which was approved and adopted by the Company in April 2014, as may be modified from time to time
"Act" or "Companies Act"	:	The Companies Act (Cap. 50) of Singapore, as may be amended, modified or supplemented from time to time
"Board"	:	The board of Directors for the time being
"Books Closure Date"	:	The date, to be determined by the Directors and announced by the Company, on which the transfer books of the Company and the Register will be closed in order to determine the entitlements of Shareholders to the Cash Distribution pursuant to the Proposed Capital Reduction
"Capital Reduction Resolution"	:	The special resolution in relation to the Proposed Capital Reduction
"Cash Distribution"	:	The proposed cash distribution by the Company to Shareholders of S$0.729 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of approximately S$10 million, as described in Section 1 of the Letter to Shareholders in this Circular
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular dated 6 April 2016
"Company"	:	S i2i Limited
"Constitution"	:	The constitution of the Company for the time being
"Creditor Objection Period"	:	The period of 6 weeks beginning with the date of the Capital Reduction Resolution
"Directors"	:	The directors of the Company for the time being
"EGM"	:	The extraordinary general meeting of the Company, to be convened for the purposes of considering and, if thought fit, passing with or without modifications, the special resolution set out in the Notice of EGM
"EPS"	:	Earnings per Share
"FY2015"	:	The financial year ended 31 December 2015
"Group"	:	The Company and its subsidiaries
"Latest Practicable Date"	:	18 March 2016, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
"Market Day"	:	A day on which the SGX-ST is open for securities trading
"Notice of EGM"	:	The notice of EGM which is on page 16 of this Circular
"NTA"	:	Net tangible assets

"Proposed Capital Reduction"	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Section 78C of the Companies Act to effect the Cash Distribution, details of which are set out in Section 2 of the Letter to Shareholders in this Circular
"Proxy Form"	:	The proxy form in respect of the EGM as set out in this Circular
"Register"	:	The register of members of the Company
"Registrar"	:	The Registrar of Companies appointed under the Companies Act and any Deputy or Assistant Registrar of Companies
"Securities Account"	:	The securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"SFA"	:	The Securities and Futures Act (Cap. 289) of Singapore, as may be amended, modified or supplemented from time to time
"SGX-ST"	:	The Singapore Exchange Securities Trading Limited
"Shareholders"	:	Persons who are registered as holders of Shares in the Register except that where the registered holder is CDP, the term "Shareholders" shall mean the Depositors who have Shares credited to their Securities Accounts
"Shares"	:	Ordinary shares in the capital of the Company
"Share Options"	:	The outstanding share options previously granted pursuant to: (a) the 1999 ESOS II; and (b) the 2014 ESOP
"Substantial Shareholder"	:	A person who has an interest in the voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, represent not less than 5.0% of all the voting Shares
"S$" and "cents"	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
"%" or "per cent."	:	Per centum or percentage

DEFINITIONS

The expressions "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the respective meanings ascribed to them in Section 81SF of the SFA.

The term "**controlling shareholders**" shall have the meaning ascribed to it in the Listing Manual.

The term "**subsidiaries**" shall have the meaning ascribed to it in the Companies Act.

Except where specifically defined, the terms "**we**", "**us**" and "**our**" in this Circular refer to the Group.

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, the SFA, or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the said Companies Act, SFA or any statutory modification thereof, as the case may be, unless otherwise provided.

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 and *vice versa*. References to persons shall include corporations.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day or date in this Circular is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

Any discrepancies in this Circular between the sum of the figures stated and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

INDICATIVE TIMETABLE

The following are indicative dates and times for the Proposed Capital Reduction for illustrative purposes only [(1)]:

Last date and time for lodgment of Proxy Forms for the EGM [(2)]	:	27 April 2016 at 4.30 p.m.
Date and time of the EGM	:	29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place)
Expected effective date of the Proposed Capital Reduction	:	*On or about 13 June 2016*
Expected last date and time of "cum" trading of the Shares on the SGX-ST	:	*On or about 20 June 2016 at 5.00 p.m.*
Expected commencement of "ex" trading of the Shares on the SGX-ST	:	*On or about 21 June 2016 at 9.00 a.m.*
Expected Books Closure Date for the Proposed Capital Reduction	:	*On or about 23 June 2016 at 5.00 p.m.*
Expected payment date for the Cash Distribution pursuant to the Proposed Capital Reduction	:	*On or about 30 June 2016*

Note(s):

(1) Save for the date and time by which the Proxy Forms must be lodged and the date and time of the EGM, the timetable above is only indicative and the actual dates of the events in italics will be announced in due course by way of SGXNET announcement released on the SGX-ST.

(2) All Proxy Forms must be duly completed and deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not later than 48 hours before the time appointed for holding the EGM. Completion and return of a Proxy Form will not preclude a Shareholder from attending and voting at the EGM if he so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.

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

Directors:

Dr. Bhupendra Kumar Modi (Non-Executive Director and Chairman)
Mr. Thomas Henrik Zilliacus (Lead Independent Director)
Mr. Hanif M. Dahya (Independent Director)
Ms. Chada Anitha Reddy (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

6 April 2016

To: The Shareholders of S i2i Limited

Dear Sir/Madam,

THE PROPOSED CAPITAL REDUCTION AND CASH DISTRIBUTION

1. INTRODUCTION

On 29 February 2016, the Company announced that it intended to distribute approximately S$10 million in aggregate to Shareholders by way of the Proposed Capital Reduction. The Proposed Capital Reduction is subject to, *inter alia*, the approval of Shareholders. The Proposed Capital Reduction will involve a cash distribution (the "**Cash Distribution**") by the Company to Shareholders of S$0.729 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of approximately S$10 million.

The Directors propose to convene an EGM to be held at 10 Eunos Road 8, 5th Floor Auditorium, Singapore Post Centre, Singapore 408600 on 29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place) to seek Shareholders' approval for the Proposed Capital Reduction.

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Capital Reduction, including the rationale and the *pro forma* financial effects of the Proposed Capital Reduction, which will be tabled at the EGM to seek Shareholders' approval for the special resolution in relation thereto, the notice of which is set out in this Circular.

Shareholders are advised that the SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy or correctness of any of the statements made, opinions expressed or reports contained in this Circular.

2. THE PROPOSED CAPITAL REDUCTION

2.1. Background

The Company is proposing to return S$0.729 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date. Based on the issued and paid-up share capital of the Company, of approximately S$590,515,000 comprising 13,712,452 Shares as at the Latest Practicable Date, an aggregate amount of approximately S$10 million will be returned to Shareholders pursuant to the Proposed Capital Reduction.

The actual aggregate Cash Distribution to be made to the Shareholders pursuant to the Proposed Capital Reduction will be based on the issued and paid-up share capital of the Company as at the Books Closure Date.

The Proposed Capital Reduction will not result in a cancellation of Shares, or change in the number of Shares held by any Shareholder. Each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction.

2.2. **Illustration**

For illustrative purposes only and based on the assumption that a Shareholder holds 100 Shares as at the Books Closure Date, the following sets out the position of such Shareholder before and immediately after the Proposed Capital Reduction, and the Cash Distribution that such Shareholder will receive:

	Shareholder
Position before the Proposed Capital Reduction	
Number of Shares currently held	100
Position immediately after the Proposed Capital Reduction	
Cash Distribution received (S$)	72.90
Number of Shares held immediately after the Proposed Capital Reduction	100

In summary, Shareholders will receive S$72.90 in cash for every 100 Shares (or S$0.729 in cash for each Share) held as at the Books Closure Date, while maintaining the same shareholding in the Company. Shareholders holding odd lots of Shares (i.e. lots other than board lots of 100 Shares) will likewise receive S$0.729 in cash for each Share held by them or on their behalf as at the Books Closure Date. The shareholding of each Shareholder in the Company shall remain unchanged immediately after the Proposed Capital Reduction.

2.3. **Rationale for the Proposed Capital Reduction**

Having reviewed the capital structure of the Company, the Board is of the view that the capital of the Company is in excess of its immediate requirements and the Proposed Capital Reduction will allow the Group to achieve a more efficient capital structure.

The Proposed Capital Reduction allows for the Cash Distribution while enabling each Shareholder to maintain the same proportionate shareholding in the Company.

In determining the Cash Distribution to Shareholders, the Board has ensured that the Company has retained sufficient capital to support its existing operations and to service its debt obligations as and when they fall due. The Board believes that the Company continues to maintain a sufficient capital base after the Proposed Capital Reduction and Cash Distribution and that this action may send a positive signal to the market, which may in turn assist to move the Company towards meeting the prescribed requirements for removal from the watch-list of the SGX-ST. The Company will continue to comply with Rule 1313(2) of the Listing Manual and provide the market with timely quarterly updates on, *inter alia,* its financial situation and other material developments that may have a significant impact on its financial position during the period in which the Company remains on the watch-list.

2.4. **Funds for the Proposed Capital Reduction**

The Proposed Capital Reduction will be funded from existing cash and cash equivalents of the Group of approximately S$40 million (net of borrowings) as at 31 December 2015.

2.5. **Financial Effects of the Proposed Capital Reduction**

For illustration purposes only and based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2015 ("**FY2015**"), the financial effects of the Proposed Capital Reduction on, *inter alia*, the share capital, NTA per Share, EPS and gearing of the Company and the Group, as the case may be, are set out below. The financial effects of the Proposed Capital Reduction have been prepared solely for illustrative purposes and do not purport to be indicative or a projection of the actual financial position of the Company and the Group immediately after completion of the Proposed Capital Reduction, and have been prepared based on the following key assumptions:

(a) for the purposes of computing the share capital, NTA per Share and gearing, assuming that the Proposed Capital Reduction had been completed on 31 December 2015, being the end of FY2015;

(b) for the purposes of computing the EPS, assuming that the Proposed Capital Reduction had been completed on 1 January 2015, being the beginning of FY2015; and

(c) the computation does not take into account any expenses that may be incurred in relation to the Proposed Capital Reduction and Cash Distribution.

2.5.1. Share Capital

The Proposed Capital Reduction will not have any impact on the number of Shares held by the Shareholders. The illustrative financial effects of the Proposed Capital Reduction on the issued and paid-up share capital of the Company as at 31 December 2015 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Number of issued Shares	13,712,452	13,712,452
Amount of share capital (S$'000)	590,515	580,515

2.5.2. NTA per Share

The illustrative financial effects of the Proposed Capital Reduction on the NTA of the Group for FY2015 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
NTA (S$'000)[(1)]	57,858	47,858
Number of issued Shares	13,712,452	13,712,452
NTA per Share (S$)	4.22	3.49

Note(s):
(1) Non-controlling interests have not been taken into account.

2.5.3. EPS

The illustrative financial effects of the Proposed Capital Reduction on the EPS of the Group for FY2015 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Profits/ (Loss) attributable to Shareholders (S$'000)	960	960
Weighted average number of Shares	13,712,452	13,712,452
Earnings/ (Loss) per Share (cents)	7.01	7.01

2.5.4. Gearing

The illustrative financial effects of the Proposed Capital Reduction on the gearing of the Group for FY2015 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Total borrowings (S$'000)	4,310	4,310
Shareholders' equity (S$'000)(1)	57,900	47,900
Gearing ratio	7.44%	9.00%

Note(s):
(1) Non-controlling interests have not been taken into account.

2.6. **Conditions of the Proposed Capital Reduction**

2.6.1. General

The Proposed Capital Reduction will be effected under Section 78C of the Companies Act and is subject to, *inter alia*, the following:-

(i) all the Directors making a solvency statement in relation to the Proposed Capital Reduction and compliance with other relevant solvency requirements as prescribed by the Companies Act;

(ii) the approval of the special resolution in relation to the Proposed Capital Reduction (being the "**Capital Reduction Resolution**") by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than 21 days' notice of the EGM shall have been given;

(iii) compliance with the applicable publicity requirements as prescribed in the Companies Act;

(iv) no application having been made for the cancellation of the Capital Reduction Resolution by any creditor of the Company within the period of six (6) weeks beginning with the date of the Capital Reduction Resolution (being the "**Creditor Objection Period**"), or if such application was made, the withdrawal of such application or dismissal thereof by the judicial authorities;

(v) lodgment of the relevant documents with the Registrar after the end of six (6) weeks (but before the end of eight (8) weeks) beginning with the date of the Capital Reduction Resolution; and

(vi) the approval of all other relevant regulatory authorities (if any and if necessary).

2.6.2. Effective Date and Payment Date

The Proposed Capital Reduction will take effect after the expiry of the Creditor Objection Period upon the lodgment of the prescribed documents with the Registrar, and the Cash Distribution will be made thereafter.

Subject to the above conditions being satisfied, it is currently expected that the Cash Distribution will be paid to the relevant Shareholders on or about 30 June 2016.

The Company will publicly announce and notify Shareholders of the effective date of the Proposed Capital Reduction through a SGXNET announcement to be posted on the SGX-ST website at http://www.sgx.com.

2.7. **Taxation**

Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or on any tax implications arising from the Proposed Capital Reduction and Cash Distribution. Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own professional advisers.

For Singapore income tax purposes, payments made by a Singapore resident company to shareholders pursuant to share capital reductions are generally classified as either a return of capital (which is a capital gain not subject to tax) or a receipt of dividends (which is tax exempt under the one-tier corporate tax system). As such, for Singapore income tax purposes, any gains from such transactions are generally not taxable unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the shareholders.

In relation to the Cash Distribution to be made to Shareholders pursuant to the Proposed Capital Reduction, as the amounts which are to be paid to Shareholders pursuant to the Cash Distribution will be paid out of the reduction of the existing issued and paid up share capital of the Company, the Cash Distribution should generally be regarded as a return of capital and not taxable in Singapore for the Shareholders unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the Shareholders.

Shareholders are advised to consult their own professional advisers as to the precise tax consequences in Singapore and/or other jurisdictions outside Singapore of the Cash Distribution pursuant to the Proposed Capital Reduction.

2.8. **Administrative Procedures for the Proposed Capital Reduction**

The following paragraphs set out the administrative procedures for the Proposed Capital Reduction. Shareholders should note that dates stated in this section are tentative, and are subject to the Proposed Capital Reduction being effective. Please refer to Section 2.6 of this Circular for the conditions to the Proposed Capital Reduction.

2.8.1. Books Closure Date

The Register will be closed as at a time and date to be determined by the Directors, for the purpose of determining Shareholders' entitlements pursuant to the Proposed Capital Reduction. The Company will announce the Books Closure Date as soon as practicable.

Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be entitled to receive a Cash Distribution of S$0.729 for each Share held by them or on their behalf as at the Books Closure Date.

Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be considered for purposes of the Proposed Capital Reduction on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date.

2.8.2. Shareholders holding Scrip Shares

Shareholders who hold Shares registered in their own names in the Register and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver their existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least 12 Market Days prior to the Books Closure Date in order for their Securities Accounts maintained with CDP to be credited with the relevant Shares by the Books Closure Date.

2.8.3. Payment of the Cash Distribution

Payment of the Cash Distribution pursuant to the Proposed Capital Reduction will be made in the following manner:

(i) Shareholders holding Scripless Shares

Shareholders who are Depositors, and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date, will have the cheques for payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by CDP by ordinary post at their own risk tentatively on or about 30 June 2016. Alternatively, such Shareholders will have payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions tentatively on or about 30 June 2016. The Company shall not be liable for any loss in transmission.

(ii) Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register as at the Books Closure Date will have the cheques for payment of their entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by ordinary post at their own risk tentatively on or about 30 June 2016. The Company shall not be liable for any loss in transmission.

2.9. **Adjustments to Share Options**

The scheme committees under the 1999 ESOS II and the 2014 ESOP have consulted with the Company's auditors and have determined that no adjustment to the outstanding Share Options is necessary under the rules of the 1999 ESOS II and 2014 ESOP consequent upon the Proposed Capital Reduction taking effect.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1. The interests of the Directors and Substantial Shareholders in the Shares and Share Options as recorded in the Register of Directors and Register of Substantial Shareholders, respectively, as at the Latest Practicable Date are set out as follows:

3.2. **Interest in Shares**

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%[1]	No. of Shares	%[1]	No. of Shares	%[1]
Directors						
Dr. Bhupendra Kumar Modi[2]	-	-	4,304,651	31.39	4,304,651	31.39
Mr. Thomas Henrik Zilliacus	48,700	0.36	-	-	48,700	0.36
Mr. Hanif M. Dahya	-	-	-	-	-	-
Ms. Chada Anitha Reddy	487	0.0036	-	-	487	0.0036
Mr. Maneesh Tripathi	-	-	-	-	-	-
Substantial Shareholders (other than Directors)						
Mr. Dilip Modi[3]	-	-	3,638,921	26.54	3,638,921	26.54
Ms. Divya Tongya[4]	-	-	3,638,921	26.54	3,638,921	26.54
S Global Innovation Centre Pte Ltd[2a)(3)(4)(5a)]	3,638,921	26.54	-	-	3,638,921	26.54
Smart Co Holding Pte Ltd[2b)(2c)(5)]	410,660	3.00	3,850,991	28.08	4,261,651	31.08
Lee Foundation, States of Malaya[6]	-	-	1,775,550	12.95	1,775,550	12.95
Lee Foundation[7]	-	-	1,775,550	12.95	1,775,550	12.95
Lee Pineapple Company (Pte) Ltd[8]	-	-	1,775,550	12.95	1,775,550	12.95
Paramount Assets Management Pte Ltd[6)(7)(8)]	1,775,550	12.95	-	-	1,775,550	12.95

Note(s):

(1) Based on 13,712,452 Shares in the share capital of the Company as at the Latest Practicable Date.

(2) Dr. Bhupendra Kumar Modi is deemed to be interested in 4,304,651 Shares comprising the following:

(a) 3,638,921 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 known as S i2i Mobility Private Ltd) are deemed to be interested in the 3,638,921 Shares held through S Global Innovation Centre Pte Ltd;

(b) 410,660 Shares held directly by Smart Co Holding Pte Ltd (previously known as S Global Holdings Pte Ltd) as Smart Co Holding Pte Ltd is wholly-owned by Dr. Bhupendra Kumar Modi;

(c) 212,070 Shares held directly by Spice Bulls Pte Ltd as Spice Bulls Pte Ltd is wholly-owned by Smart Co Holding Pte Ltd, which is in turn wholly-owned by Dr. Bhupendra Kumar Modi; and

(d) 43,000 Shares held directly by Innovative Management Pte Ltd as Innovative Management Pte Ltd is wholly-owned by Dr. Bhupendra Kumar Modi.

(3) Mr. Dilip Modi is deemed to be interested in 3,638,921 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.

(4) Ms. Divya Tongya is deemed to be interested in 3,638,921 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) Smart Co Holding Pte Ltd is deemed to be interested in 3,850,991 Shares comprising the following:

(a) 3,638,921 Shares directly held by S Global Innovation Centre Pte. Ltd.; and

(b) 212,070 Shares held directly by Spice Bulls Pte Ltd as Spice Bulls Pte Ltd is wholly-owned by Smart Co Holding Pte Ltd.

(6) 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 1,775,550 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.

(7) 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 1,775,550 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.

(8) Lee Pineapple Company (Pte) Ltd is deemed to be interested in 1,775,550 Shares held directly by Paramount Assets Investments Pte Ltd, a wholly-owned subsidiary of Lee Pineapple Company (Pte) Ltd.

3.3. **Interest in Share Options**

	As at the Latest Practicable Date			
	1999 ESOS II		**2014 ESOP**	
Director	**Total number of Share Options granted**	**Total number of Share Options exercisable**	**Total number of Share Options granted**	**Total number of Share Options exercisable**
Mr. Thomas Henrik Zilliacus	785	785[1]	137,125	–[2]

Note(s):

(1) These Share Options under the 1999 ESOS II will expire on 27 April 2016.

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

3.4. Save for their respective directorships and/or shareholdings in the Company, if any, none of the Directors or the Substantial Shareholders have any direct or indirect interest in the Proposed Capital Reduction.

4. DIRECTORS' RECOMMENDATIONS

Having fully considered the terms and rationale for the Proposed Capital Reduction, the Directors are of the opinion that the Proposed Capital Reduction is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the special resolution to approve the Proposed Capital Reduction at the EGM.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 16 of this Circular, is being convened at 10 Eunos Road 8, 5th Floor Auditorium, Singapore Post Centre, Singapore 408600 on 29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the special resolution relating to the Proposed Capital Reduction set out therein.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular 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 office of 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 fixed for the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, as at 72 hours before the EGM.

7. 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 Capital Reduction, 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 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 this Circular in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

8.1. Copies of the following documents may be inspected 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 and including the date of EGM:

(i) the Constitution of the Company; and

(ii) the annual report of the Company for FY2015.

8.2. Copies of the solvency statements signed by the Directors in connection with the Proposed Capital Reduction will be available for inspection at the EGM, as well as at the registered office of the Company at 152 Ubi Avenue 4, Level 4, Smart Innovation Centre, Singapore 408826 for a period of six (6) weeks beginning with the date of the EGM.

Yours faithfully

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

Mr. Maneesh Tripathi
Executive Director and Group CEO

S i2i Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of S i2i Limited (the "**Company**") will be held at 10 Eunos Road 8, 5th Floor Auditorium, Singapore Post Centre, Singapore 408600 on 29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the following resolution which will be proposed as a Special Resolution:

(All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular to shareholders of the Company dated 6 April 2016.)

SPECIAL RESOLUTION:

THE PROPOSED CAPITAL REDUCTION

That, pursuant to Article 55 of the Constitution of the Company and subject to the provisions of Section 78A, read together with Sections 78C to 78F, of the Companies Act (Cap. 50) of Singapore (the "**Companies Act**"):-

(a) the issued and paid-up share capital of the Company be reduced by the sum of approximately S$10 million, and that such reduction be effected by way of a cash distribution to the Shareholders in the sum of S$0.729 for each fully paid-up ordinary share in the capital of the Company held by a Shareholder or on his/her behalf as at a books closure date to be determined by the Directors; and

(b) the Directors and each of them be and are hereby authorised and empowered to do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Capital Reduction, with such modification thereto (if any) as they shall deem fit in the interests of the Company.

BY ORDER OF THE BOARD
S i2i Limited

Mr. Maneesh Tripathi
Executive Director and Group CEO

6 April 2016

Notes:

1. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the EGM.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.

   ("relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act (Cap. 50).)

2. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be lodged at the office of 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 EGM. The completion and return of the Proxy Form by a member will not prevent him from attending and voting in person at the EGM if he so wishes. In such event, the relevant Proxy Form will be deemed to be revoked.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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S i2i Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 199304568R)

EXTRAORDINARY GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy the Company's shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY.**
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 6 April 2016.

I/We_____ (name) with NRIC/Passport Number: _____

of _____ (address)

being a member/members* of **S i2i Limited** (the "**Company**"), hereby appoint:-

Name	**NRIC / Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC / Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing him/her/them*, the Chairman of the Extraordinary General Meeting (the "**EGM**") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM of the Company to be held at 10 Eunos Road 8, 5th Floor Auditorium, Singapore Post Centre, Singapore 408600 on 29 April 2016 at 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.30 p.m. on the same date and at the same place).

I/We* direct my/our* proxy/proxies* to vote for or against the resolution to be proposed at the EGM as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion.

(Please indicate your vote "For" or "Against" with an "**X**" within the box provided. Alternatively, please indicate the number of votes as appropriate.)

SPECIAL RESOLUTION	**For**	**Against**
To approve the Proposed Capital Reduction		

Dated this _____ day of _____2016

Total Number of Shares Held in:	
(a) CDP Register	
(b) Register of Members	

_____

Signature(s) of Shareholder(s) or Common Seal of Corporate Shareholder

* Delete accordingly

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. Except for a member of the Company who is a "relevant intermediary" as defined under Section 181(6) of the Companies Act (Cap. 50) of Singapore (the "**Companies Act**"), a member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member of the Company appoints more than one proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy and if the proportion is not specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding of that member and the second named proxy shall be deemed to be an alternate to the first named proxy.

4. A member who is a "relevant intermediary" entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) of Singapore and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

6. The instrument appointing a proxy or proxies must be deposited at the office of 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 forty-eight (48) hours before the time appointed for holding the EGM.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.

9. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM.

General: The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.