

CIRCULAR DATED 11 JULY 2013

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this Circular or to the 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 your shares in the capital of Boustead Singapore Limited, you should immediately forward this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



BOUSTEAD SINGAPORE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CHANGE OF AUDITORS FROM MESSRS DELOITTE & TOUCHE LLP TO MESSRS PRICEWATERHOUSECOOPERS LLP

IMPORTANT DATES AND TIMES

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| Last date and time for lodgement of Proxy Form | : | 24 July 2013 at 3.00 p.m. |
| Date and time of Annual General Meeting | : | 26 July 2013 at 3.00 p.m. (or as soon after the conclusion or adjournment of the Extraordinary General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) |
| Place of Annual General Meeting | : | Brooke, Meyer & Frankel Room Level 3
Grand Mercure Roxy Singapore
50 East Coast Road, Roxy Square
Singapore 428769 |

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

“AGM”	: The annual general meeting of the Company to be held on 26 July 2013 at 3.00 p.m.
“Audit Committee”	: The audit committee of the Company as at the Latest Practicable Date.
“Auditors”	: The auditors of the Company for the time being.
“CDP”	: The Central Depository (Pte) Limited.
“Companies Act”	: The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
“Company”	: Boustead Singapore Limited.
“Deloitte”	: Messrs Deloitte & Touche LLP.
“Directors”	: The directors of the Company, as at the date of this Circular.
“FY”	: Financial year.
“Group”	: The Company and its subsidiaries.
“Latest Practicable Date”	: 18 June 2013, 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.
“PwC”	: Messrs PricewaterhouseCoopers LLP.
“Proposed Change of Auditors”	: The proposed change of independent auditors of the Company from Deloitte to PwC.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.
“Shareholders”	: Registered holders of Shares except that where CDP is the registered holder, the term “Shareholders” shall in relation to such Shares, mean Depositors who have Shares entered against their names in the Depository Register.
“Shares”	: Ordinary shares in the capital of the Company.
“%” or “per cent”	: Per centum or percentage.

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

DEFINITIONS

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 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 used in this Circular shall have the 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 shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included in this Circular between the listed amounts and the totals are due to rounding; accordingly, figures shown as totals in certain tables may not be an aggregation of the figures that precede them.

BOUSTEAD SINGAPORE LIMITED

(Incorporated in the Republic of Singapore)
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Directors:

Mr Wong Fong Fui (*Chairman & Group Chief Executive Officer*)
Mr Loh Kai Keong (*Executive Director & Group Chief Financial Officer*)
Mr Wong Yu Loon (*Executive Director*)
Mr John Lim Kok Min (*Independent Non-Executive Director*)
Mr Chong Ngien Cheong (*Independent Non-Executive Director*)
Mr Godfrey Ernest Scotchbrook (*Independent Non-Executive Director*)
Mr Goh Boon Seong (*Independent Non-Executive Director*)
Ms Sri Widati Ernawan Putri (*Independent Non-Executive Director*)

Registered Office:

67 Ubi Avenue 1
#02-01 StarHub Green
Singapore 408942

11 July 2013

To: The Shareholders of Boustead Singapore Limited

Dear Sir / Madam,

THE PROPOSED CHANGE OF AUDITORS

1. INTRODUCTION

The Directors propose to seek Shareholders' approval at its forthcoming AGM to be held at Brooke, Meyer & Frankel Room, Level 3, Grand Mercure Roxy Singapore, 50 East Coast Road, Roxy Square, Singapore 428769, Friday, 26 July 2013 at 3.00 p.m. (or as soon after the conclusion or adjournment of the Extraordinary General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) in relation to the Proposed Change of Auditors.

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Change of Auditors and to seek Shareholders' approval for the Ordinary Resolution relating to the same as set out in the notice of the AGM.

2. THE PROPOSED CHANGE OF AUDITORS

2.1 Rationale for the Proposed Change of Auditors

Deloitte, the Company's outgoing auditors, have served as Auditors of the Company for eleven (11) years since FY 2002. Deloitte was re-appointed as Auditors of the Company at the last AGM of the Company held on 30 July 2012 to hold office until the conclusion of the next AGM of the Company.

As part of ongoing good corporate governance practices, the Directors had earlier decided that it would be appropriate to rotate auditors once every ten (10) years and that it would be timely to effect a change of external auditors with effect from the current financial year ending 31 March 2014. Deloitte, the outgoing auditors, will accordingly not be seeking re-election at the forthcoming AGM. PwC were selected for the proposed appointment after competitive proposals were evaluated.

The Directors wish to express their appreciation for the past services rendered by Deloitte.

2.2 Opinion of the Audit Committee

The Audit Committee has reviewed and deliberated, and after taking into consideration the suitability of PwC and compliance with the Listing Manual, has recommended the Proposed Change of Auditors.

2.3 Opinion of the Directors

The Directors have taken into account the Audit Committee's recommendation and considered factors such as the adequacy of the resources and experience of PwC and the persons assigned to the audit, PwC's audit engagements, the size and complexity of the company and its subsidiaries, and the number and experience of supervisory and professional staff to be assigned to the audit, and is satisfied that PwC will be able to meet the audit requirements of the Company and that Rule 712 of the Listing Manual has been complied with. Accordingly, the Directors have recommended the Proposed Change of Auditors.

2.4 Rule 1203 (5) of the Listing Manual

In accordance with the requirements of Rule 1203(5) of the Listing Manual of SGX-ST:

- (a) the outgoing auditors, Deloitte, have confirmed that they are not aware of any professional reasons why the new auditors, PwC, should not accept appointment as Auditors of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing auditors, Deloitte, on accounting treatments within the last 12 months;
- (c) the Company confirms that, other than set out above, it is not aware of any circumstances connected with the proposed change of Auditors that should be brought to the attention of Shareholders;
- (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are disclosed in Paragraph 2.1 above; and
- (e) the Company confirms that it complies with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of PwC.

2.5 Information on PwC

PwC provides clients with assurance, tax and advisory services to help organisations solve business issues and working with their clients to co-create solutions for their sector of interest. PwC's industry specialisation enables them to identify trends and customise solutions for their clients. PwC is a network of firms in 158 countries with more than 180,000 people. Each line of service is staffed with highly qualified and experienced professionals.

Mr Yee Chen Fah, with over 25 years of audit experience is the designated Audit Engagement Partner who will be assigned to lead the audit of the Company. Mr Yee has many years of experience in leading audits of large groups involving diverse businesses including the engineering and construction, real estate, manufacturing, trading and semiconductor sectors. His past and present clients include privately-owned enterprises to multi-national corporations and listed companies. Many of the clients he worked with operate in the region as well as globally. Mr Yee is a practising member of the Institute of Singapore Chartered Accountants and is a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore.

Mr Yee will be assisted by a team of audit professionals in performing the audit. This includes a Quality Review Partner, who is an experienced partner to ensure that the engagement team provides independent and objective viewpoints on the audit. A Senior Audit Engagement Manager is assigned to assist the Audit Engagement Partner to oversee the audit. He has many years of experience in audits of both multi-national corporations and listed companies in Singapore, and is well-equipped with the relevant skill-sets to help drive the audit. The audit team also consists of a supporting manager, as well as Senior and Graduate Associates.

For more information on PwC, please visit www.pwc.com/sg.

3. AUDIT COMMITTEE'S STATEMENT

The Audit Committee has reviewed and deliberated on the Proposed Change of Auditors and recommends the same for approval after having satisfied itself of the suitability of PwC and the requirements of the Listing Manual.

4. DIRECTORS' RECOMMENDATION

Having considered the rationale and benefit of the Proposed Change of Auditors, the Directors are of the unanimous opinion that the Proposed Change of Auditors is in the interests of the Company and the Shareholders. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Ordinary Resolution in respect of the Proposed Change of Auditors at the AGM.

5. ANNUAL GENERAL MEETING

The AGM, notice of which is set out in the Annual Report 2013, will be held at Brooke, Meyer & Frankel Room, Level 3, Grand Mercure Roxy Singapore, 50 East Coast Road, Roxy Square, Singapore 428769 on 26 July 2013 at 3.00 p.m. (or as soon after the conclusion or adjournment of the Extraordinary General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the notice of AGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and wish to appoint a proxy to attend and vote at the AGM on their behalf must complete, sign and return the Proxy Form attached to the Annual Report 2013 in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 67 Ubi Avenue 1, #02-01 StarHub Green, Singapore 408942 not later than 48 hours before the time fixed 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 should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

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

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 Change of Auditors, 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 the 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.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the AGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Annual Report of the Company for the financial year ended 31 March 2013; and
- (c) Consent to act as Auditors from PwC.

Yours faithfully,

BOUSTEAD SINGAPORE LIMITED

Mr Wong Fong Fui
Chairman & Group Chief Executive Officer