



PROPOSED CHANGE OF AUDITOR

The Board of Directors (the “**Board**”) of Bonvests Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the proposed change of auditor of the Company from Foo Kon Tan LLP (“**FKT**”) to PricewaterhouseCoopers LLP (“**PwC**”) (“**Proposed Change of Auditor**”) for the current financial year ending 31 December 2017 (“**FY2017**”).

The Company’s current auditor, FKT, has been the auditor of the Company for more than 10 years. FKT was re-appointed as auditor of the Company at the last annual general meeting of the Company (“**AGM**”) held on 26 April 2016 to hold office until the conclusion of the next AGM.

Besides Singapore, the Group has businesses in various overseas locations, namely Tunis, Mauritius, Zanzibar and Maldives. With the recent extension of the Group’s businesses to Perth and Bintan, it is the view of the Directors that it would be timely for the Group to consider the appointment of an external auditor who is a member of a global auditing network and to effect a change of external auditor from the financial year ending 31 December 2017. FKT, the retiring auditor, will accordingly not be seeking re-appointment at the forthcoming AGM.

PwC was selected for the proposed appointment after the Audit Committee invited and evaluated competitive proposals from various audit firms. The Audit Committee reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration factors such as the adequacy of the resources and experience of the audit firm to be selected, and the audit engagement partner to be assigned to the audit of the Group, as well as the size and complexity of Group. After evaluation, the Audit Committee recommended that PwC to be selected for the proposed appointment. The Directors have taken into account that Audit Committee’s recommendation, including the actors considered in the evaluation, and are satisfied that PwC will be able to meet the audit requirement of the Company.

PwC had given their written consent to be appointed as the new auditor of the Company, subject to approval of shareholders at the AGM. Upon the approval of shareholders being obtained at the AGM for the appointment of PwC, PwC will hold office until the conclusion of the next annual general meeting of the Company. It is the intention of the Board, upon the recommendation of the Audit Committee, that subject to the approval of the shareholders being obtained for the Proposed Change of Auditor at the AGM, and following the appointment of PwC as the auditor of the Company, the auditor for the Company’s Singapore-incorporated subsidiaries would be changed to PwC as well.

In accordance with Rule 1203(5) of the SGX Listing Rules, the Company confirms that:

- (a) FKT has confirmed to PwC that it is not aware of any professional reason why PwC should not accept the appointment as auditor;
- (b) there were no disagreements with FKT on accounting treatments within the last 12 months;
- (c) it is not aware of any circumstances connected with the Proposed Change of Auditor that should be brought to the attention of the shareholders;
- (d) the specific reasons for the Proposed Change of Auditor are as disclosed in Section 2.2 of the Appendix to the Company's Annual Report 2016; and
- (e) it is in compliance with Rule 712 and Rule 716 of the Listing Rules in relation to the appointment of PwC.

The Board wishes to express their appreciation for the past services rendered by FKT.

A letter to shareholders of the Company containing further details of the Proposed Change of Auditor has been appended as Appendix to the Company's Annual Report 2016 and which, together with the notice of the forthcoming AGM, will be dispatched to shareholders on 7 April 2017.

By Order of the Board
Foo Soon Soo
Company Secretary
6 April 2017