CIRCULAR DATED 24 JANUARY 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your shares in the issued share capital of 8Telecom International Holdings Co. Ltd. (the "**Company**"), you should immediately forward this circular (the "**Circular**") together with the Notice of Special General Meeting and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or 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 correctness or accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Incorporated in Bermuda on 5 January 2004 with limited liability)
(Company Registration No. 34713)

CIRCULAR TO SHAREHOLDERS

in relation to:-

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

IMPORTANT DATES AND TIMES:

Latest Date and Time for Lodgement of Proxy Form	:	8 February 2017 at 10.00 a.m.
Date and Time of Special General Meeting	:	10 February 2017 at 10.00 a.m.
Place of Special General Meeting	:	SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807

CONTENTS

		Page
DEFINITIONS		3
LETTER TO SHAREHOLDERS		5
1.	INTRODUCTION	5
2.	THE PROPOSED CHANGE OF AUDITORS	5
3.	INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	7
4.	DIRECTORS' RECOMMENDATIONS	8
5.	SPECIAL GENERAL MEETING	8
6.	ACTIONS TO BE TAKEN BY SHAREHOLDERS	8
7.	DIRECTORS' RESPONSIBILITY STATEMENT	8
8.	DOCUMENTS AVAILABLE FOR INSPECTION	9
NOTICE OF SPECIAL GENERAL MEETING		N-1

DEFINITIONS

In this Circular, except where the context otherwise requires, the following words and expressions shall have the following meanings:-

"**Audit Partner**"	:	Chua Chin San, the audit engagement partner of PwC assigned to lead the audit of the Group;
"**Audit Committee**"	:	The audit committee of the Company for the time being;
"**Auditors**"	:	The auditors of the Company for the time being;
"**Bermuda Companies Act**"	:	the Companies Act 1981 of Bermuda, as amended, supplemented or modified from time to time;
"**Board**" or "**Directors**"	:	the board of directors of the Company as at the Latest Practicable Date;
"**Bye-laws**"	:	the bye-laws of the Company as amended, supplemented or modified from time to time;
"**CDP**"	:	The Central Depository (Pte) Limited;
"**Circular**"	:	this circular to Shareholders dated 24 January 2017 issued by the Company;
"**Companies Act**"	:	the Companies Act (Chapter 50) of Singapore as amended, modified or supplemented from time to time;
"**Company**"	:	8Telecom International Holdings Co. Ltd.;
"**Deloitte**"	:	Deloitte & Touche LLP;
"**FY**"	:	the financial year ended or ending 31 December, as the case may be;
"**Group**"	:	the Company and its subsidiaries;
"**Latest Practicable Date**"	:	18 January 2017, being the latest practicable date prior to the submission of this Circular;
"**Listing Manual**"	:	the Listing Manual of the SGX-ST as amended, modified or supplemented from time to time;
"**Memorandum**"	:	the memorandum of association of the Company as amended, modified or supplemented from time to time;
"**PwC**"	:	PricewaterhouseCoopers LLP;
"**Resolution**"	:	The resolution as set out in the Notice of SGM on page N-1 of this Circular;
"**Securities and Futures Act**"	:	the Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time;
"**SGM**"	:	the special general meeting of Shareholders, notice of which is set out on pages N-1 to N-2 of this Circular;

"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited;
"**Shares**"	:	ordinary shares in the share capital of the Company;
"**Shareholders**"	:	the registered holder(s) of the Shares;
"**Singapore Share Transfer Agent**"	:	Tricor Barbinder Share Registration Services;
"**Substantial Shareholder**"	:	a person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares of the Company;
"**Treasury Shares**"	:	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.

Currencies, Units and Others

"**%**"	:	percentage or per centum.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the same meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. 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 term defined under the Companies Act, the Bermuda Companies Act, the Securities and Futures Act, or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Bermuda Companies Act, the Securities and Futures Act, or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided herein.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time, unless otherwise stated and shall include such other date(s) or time(s) as may be announced from time to time by or on behalf of the Company.

Any discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Incorporated in Bermuda on 5 January 2004 with limited liability)
(Company Registration No. 34713)

Directors

Mr Hoi Yan Joseph Tang (Executive Director and CFO)
Mr Lien Kait Long (Lead Independent Director)
Mr Wilson Lim Tiong How (Non-Independent Non-Executive Director)

Registered Office

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

24 January 2017

To: The Shareholders of 8telecom International Holdings Co. Ltd.

Dear Sir/Madam

THE PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO PRICEWATERHOUSECOOPERS LLP (THE "PROPOSED CHANGE OF AUDITORS")

1 INTRODUCTION

1.1 The purpose of this Circular is to explain the reason for, and to provide the Shareholders with information relating to the Proposed Change of Auditors to be tabled at the SGM and to seek Shareholders' approval for the Resolution relating to the same. The Notice of SGM is set out on pages N-1 to N-2 of this Circular.

1.2 The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

1.3 This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.

2 THE PROPOSED CHANGE OF AUDITORS

2.1 Rationale for the Proposed Change of Auditors

The Company's current Auditors, Deloitte, has been the Auditors since the Company's listing in 2004. Deloitte was re-appointed as Auditors at the last AGM of the Company held on 28 April 2016 to hold office until the conclusion of the next AGM.

The Board is of the view that as a matter of good corporate governance, it would be appropriate to periodically rotate Auditors. The Board believes that a change of Auditors may enable the Company to benefit from fresh perspectives and views of another professional audit firm and further enhance the value of the audit. As such, it would be timely to rotate and effect a change of external Auditors and seek a fee quotation from another major international audit firm for the audit of the Company's financial statements for the FY ended 31 December 2016.

Following a review of the fee quotation and proposed audit plans from PwC and in consultation with the Audit Committee, having considered that the fee proposal provided by PwC is reasonably competitive, the Board has accepted the Audit Committee's recommendation for the appointment of the PwC subject to the approval of the Shareholders at the SGM.

In this regard and at the request of the Company, Deloitte has given notice of their resignation as the Auditors on 28 October 2016. PwC has, on 6 December 2016, given their written consent to act as the auditors of the Company, subject to the approval of Shareholders at the SGM.

The resignation of Deloitte will only take effect upon the appointment of PwC, which will be effective upon the approval of Shareholders being obtained at the SGM. Upon the appointment, PwC will hold office until the conclusion of the next annual general meeting of the Company.

Following Shareholders' approval of the Proposed Change of Auditors, PwC will be appointed as Auditors of the Company and its subsidiaries, in place of Deloitte.

2.2 **Requirements under Rule 712 of the Listing Manual**

The Board, having taken into account the Audit Committee's recommendation, and various factors, including, inter alia, the following:

(a) the fee structure, the adequacy of the resources and experience of PwC;

(b) the audit engagement partner assigned to the audit;

(c) PwC's other audit engagements;

(d) the size and complexity of the Group's operations; and

(e) the number and experience of supervisory and professional staff assigned to the audit of the Company and the Group,

are of the opinion that PwC will be able to meet the audit requirements of the Group and that Rule 712 of the Listing Manual has been complied with.

2.3 **Requirements under Rule 715 of the Listing Manual**

Following the Shareholders' approval of the Proposed Change of Auditors, PwC will become the Auditors of the Company and of such subsidiaries of the Company, in place of Deloitte. PwC will be engaged to conduct an audit on the consolidated financial statements of the Company and the financial statements of its subsidiaries incorporated in Singapore. Where necessary, the Company will appoint member firms of PwC to conduct audit of its subsidiaries incorporated in overseas for the purpose of the consolidation of the financial statements of the Group.

2.4 **Requirements under Rule 1203(5) of the Listing Manual**

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

(a) the Company has received a copy of Deloitte's professional clearance letter dated 29 November 2016 to PwC, confirming that they are not aware of any professional reasons why PwC should not accept appointment as the new Auditors of the Company;

(b) the Directors confirm that there were no disagreements with Deloitte on accounting treatments within the last 12 months from the date of this Circular;

(c) the Directors confirm that the Company is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in this Circular;

(d) the reasons for the Proposed Change of Auditors are disclosed in paragraph 3.1 of this Circular above; and

(e) the Directors confirm that the Company is in compliance with Rules 712 and 715 of the Listing Manual in relation to the proposed appointment of PwC as its new auditors.

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 in their sector of interest. PwC's industry specialization enables them to identify trends and customise solutions for their clients. PwC has a network of firms in 157 countries with more than 223,000 people. Each line of service is staffed with highly qualified and experienced professionals.

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

2.6 **Information on the Audit Partner**

Chua Chin San, who has more than 19 years of audit experience, will be the audit engagement partner assigned to lead the audit of the Group. He has been an Audit Partner at PwC since 2009. He is a practising member of the Institute of Singapore Chartered Accountants and a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore.

2.7 **Opinion of the Audit Committee**

The Audit Committee has reviewed and deliberated on the Proposed Change of Auditors and recommend the same for approval by the Board after taking into consideration the suitability of PwC and the requirements of the Listing Manual.

3 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the issued and paid-up share capital of the Company as at the Latest Practicable Date are as follows:-

	Direct Interest		Deemed Interest	
	Number of Shares	%[1]	Number of Shares	%[1]
Directors				
Wilson Lim Tiong How	23,892,516	25.8	–	–
Substantial Shareholders other than Directors				
Ye Tianyun[2]	–	–	19,200,720	20.7
Manfaith Investments Ltd.[3]	–	–	19,200,720	20.7
Signa Air Limited	17,552,115	19	–	–
Chung Fui Leng Shirley @ Tan Fui Leng Shirley[4]	–	–	17,552,115	19

Notes:

(1) Based on issued Shares of 92,630,849 shares excluding 3,150,000 Treasury Shares.

(2) Deemed to have an interest in the 19,200,720 Shares held by Manfaith Investments Ltd. Ye Tianyun has an 100% equity interest in Manfaith Investments Ltd.

(3) Deemed interest in 19,200,720 Shares held by its nominee, KGI Fraser Securities Pte. Ltd..

(4) Chung Fui Leng Shirley @ Tan Fui Leng Shirley has an 100% equity interest in Signa Air Limited.

4 DIRECTORS' RECOMMENDATIONS

The Directors, having considered the rationale and benefits of the Proposed Change of Auditors, are of the opinion that the Proposed Change of Auditors is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the Resolution relating thereto at the SGM as set out in the Notice of SGM which is set out on pages N-1 to N-2 of this Circular.

5 SPECIAL GENERAL MEETING

The SGM, notice of which is set out on pages N-1 to N-2 of this Circular, will be held at SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807 on 10 February 2017 at 10.00 a.m. for the purpose of considering, and if thought fit, passing with or without any modifications, the resolution(s) set out in the aforementioned notice.

6 ACTIONS TO BE TAKEN BY SHAREHOLDERS

6.1 Shareholders who are entitled to attend and vote at a meeting of the Company but are unable to attend the SGM personally and wish to appoint a proxy to attend and vote at the SGM on their behalf will find attached to this Circular a Shareholder 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 offices of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898 not less than 48 hours before the time appointed for the SGM. The completion and return of a Shareholder Proxy Form by a Shareholder does not preclude him from attending and voting in person at the SGM in place of his proxy if he finds that he is able to do so, and in such event, his instrument appointing a proxy shall be deemed to be revoked.

6.2 A Depositor shall not be regarded as a shareholder of the Company entitled to attend the SGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP at least 72 hours before the SGM. Depositors whose names are shown in the records of CDP as at a time not earlier than 72 hours before the time appointed for the SGM supplied by CDP to the Company, may attend and vote at the SGM as CDP's proxies. Such Depositors who are individuals need not take any further action and can attend and vote at the SGM without the lodgement of any proxy form. Such Depositors who are not individuals and such Depositors who are unable to attend personally but wish to appoint a nominee to attend and vote on his behalf as CDP's proxy, will find attached to this Circular a Depositor 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 offices of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898 not less than 48 hours before the time appointed for the SGM. The completion and return of a Depositor Proxy Form by a Depositor who is an individual does not preclude him from attending and voting in person as CDP's proxy at the SGM in place of his nominee if he finds that he is able to do so, and in such event, his appointment of his nominee shall be deemed to be revoked.

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 and the Group, 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 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 this Circular in its proper form and context.

8 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at HEP Corporate Services Pte. Ltd., SGX Centre 2, #17-01, 4 Shenton Way Singapore 068807, during normal business hours for a period of three months from the date of this Circular:

(a) the Memorandum and Bye-laws of the Company;

(b) the annual report of the Company for the FY2015;

(c) the letter from Deloitte dated 28 October 2016, setting out their resignation as Auditors;

(d) the letter of consent to act as Auditors from PwC dated 6 December 2016; and

(e) the letter of professional clearance issued by Deloitte to PwC dated 29 November 2016.

Yours faithfully
For and on behalf of
the Board of Directors of
8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

Hoi Yan Joseph Tang
Executive Director and CFO

8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Incorporated in Bermuda on 5 January 2004 with limited liability)
(Company Registration No. 34713)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting ("**SGM**") of 8Telecom International Holdings Co. Ltd. (the "**Company**") will be held at SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807 on 10 February 2017 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

*All capitalized terms used in this Notice of SGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular dated 24 January 2017 to Shareholders (the "**Circular**")*

ORDINARY RESOLUTION

RESOLUTION 1: THE PROPOSED ISSUE

THE PROPOSED CHANGE OF AUDITORS

RESOLVED THAT:

(a) the resignation of Deloitte as Auditors of the Company be and is hereby noted and that PwC, having consented to act, be and are hereby appointed as Auditors of the Company in place of Deloitte, to hold office until the conclusion of the next annual general meeting of the Company at a fee and on such terms as may be agreed by the Directors of the Company with PwC; and

(b) the Directors and any one of them be and are hereby authorised and empowered to approve and complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company to give effect to the Proposed Change of Auditors and/or this Resolution.

BY ORDER OF THE BOARD

Hoi Yan Joseph Tang
Executive Director and CFO

24 January 2017

Notes:

(1) With the exception of CDP (which may appoint more than two proxies), a member of the Company who is entitled to attend and vote at the SGM is entitled to appoint not more than two proxies to attend and vote in his stead. A member who wishes to appoint a proxy to attend and vote on his behalf thereat, should complete, sign and return the attached Shareholder Proxy Form in accordance with the instructions printed thereon. A proxy need not be a member of the Company.

(2) A Depositor whose name appears in the Depository Register 72 hours as maintained by CDP but is unable to attend the SGM personally and wishes to appoint a nominee to attend and vote on his behalf thereat as CDP's proxy, should complete, sign and return the attached Depositor Proxy Form in accordance with the instructions printed thereon. A Depositor that has appointed a nominee to attend and vote at the SGM on his behalf as CDP's proxy may attend and vote in person as CDP's proxy at the SGM if he so wishes.

(3) All proxy forms must be lodged at the office of the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time appointed for holding the SGM in order for the proxy (or the nominee, as the case may be) to be entitled to attend and vote at the SGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the SGM 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the SGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) 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 or service providers), 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 or service providers) 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.