

CIRCULAR DATED 4 APRIL 2014

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 GSH Corporation 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.



Global Strategic Holdings

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED CHANGE OF AUDITORS FROM MESSRS ERNST & YOUNG LLP TO
MESSRS KPMG LLP**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	19 April 2014 at 2.30 p.m.
Date and time of Annual General Meeting	:	21 April 2014 at 2.30 p.m.
Place of Annual General Meeting	:	GSH Centre 11 Changi North Way Singapore 498796

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DEFINITIONS

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

“AGM”	:	The annual general meeting of the Company to be held on 21 April 2014 at 2.30 p.m.
“Audit Committee”	:	The audit committee of the Company comprising Michael G. Gray, Lee Choon Hui, Francis, Juliette Lee Hwee Khoon and Huang Lui.
“Auditors”	:	The auditors of the Company for the time being.
“Board”	:	The board of Directors of the Company as at the date of this Circular
“CDP”	:	The Central Depository (Pte) Limited.
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
“Company”	:	GSH Corporation Limited
“EY”	:	Messrs Ernst & Young LLP.
“Directors”	:	The directors of the Company, as at the date of this Circular.
“FY”	:	Financial year.
“Group”	:	The Company and its subsidiaries.
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended or modified from time to time.
“KPMG”	:	Messrs KPMG LLP
“Proposed Change of Auditors”	:	The proposed change of independent auditors of the Company from EY to KPMG.
“SGX-ST”	:	Singapore Exchange 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.

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

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.

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

Directors:

Sam Goi Seng Hui (*Executive Chairman*)
Lee Choon Hui, Francis (*Non-Executive Vice Chairman and Independent Director*)
Gilbert Ee Guan Hui (*Chief Executive Officer*)
Juliette Lee Hwee Khoon (*Non-Executive Director*)
Michael G. Gray (*Independent Director*)
Huang Lui (*Independent Director*)
Ryo Kobayashi (*Chief Operating Officer*)
Goi Kok Ming (*Executive Director, Business Development*)

Registered Office:

GSH Centre
11 Changi North Way
Singapore 498796

4 April 2014

To: The Shareholders of GSH Corporation 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 GSH Centre, 11 Changi North Way, Singapore 498796, Monday, 21 April 2014 at 2.30 p.m., 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

The Company's current auditors, EY, have been the Auditors since FY 2002. EY was re-appointed as Auditors of the Company at the last AGM of the Company held on 26 April 2013 to hold office until the conclusion of the next AGM of the Company.

The Proposed Change of Auditors is recommended by the Audit Committee in view of the fact that EY have been the Auditors for 12 years and as the Company's business is rapidly diversifying (both in the nature of the business and geographically), a change of the audit firm of the Company can better ensure that the Company benefits from fresh perspectives and views of new auditors.

After reviewing the credentials and competitive proposals of leading auditing firms, the Audit Committee has recommended the appointment of KPMG, in place of EY, subject to the approval of the Board and Shareholders at the AGM. The Board has accepted the recommendation. Hence, EY, the outgoing auditors, will not be seeking re-election at the forthcoming AGM.

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

2.2 **Opinion of the Audit Committee**

The Audit Committee has, after taking into consideration the suitability of KPMG and compliance with the Listing Manual, 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 KPMG and the persons assigned to the audit, KPMG'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 KPMG 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, EY, have confirmed that they are not aware of any professional reasons why the new auditors, KPMG, should not accept appointment as Auditors of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing auditors, EY, 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 and/or 716 of the Listing Manual in relation to the appointment of KPMG.

2.5 **Information on KPMG**

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. It has 155,000 outstanding professionals working together to deliver value in 155 countries. In Singapore, the firm's sector-led approach allows it to contribute industry insight and knowledge not just for its clients, but for the broader society too.

Ms Teo Han Jo, with 16 years of audit experience is the designated Lead Engagement Partner who will be assigned to lead the audit of the Company. Ms Teo has extensive experience in audit engagements of multi-national and local clients. Her industry experience includes property, food and beverage, shipping, trading, manufacturing, finance, property and construction. She also has extensive experience in providing initial public offering services. Ms Teo holds a Master of Commerce (major in Finance and Human Resource) from the University of New South Wales and Bachelor of Accountancy degree (Hons) from the Nanyang Technological University. She is a practicing member of the Institute of Singapore Chartered Accountants (ISCA).

Ms Teo will be assisted by a team of audit professionals in performing the audit. An Engagement Manager is assigned to assist the Lead Engagement Partner to oversee the audit. He has many years of experience in audits of private and listed companies in Singapore and Malaysia, and is well-equipped with the relevant skill-sets to help drive the audit. The audit team also consists of Senior and Graduate Associates.

For more information on KPMG, please visit <http://www.kpmg.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 KPMG 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 GSH Centre, 11 Changi North Way, Singapore 498796 on 21 April 2014 at 2.30 p.m. 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 GSH Centre, 11 Changi North Way, Singapore 498796 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. CONSENTS

EY and KPMG have given, and have not withdrawn their written consents to the issue of this Circular with the inclusion of their names and all references thereto, in the forms and contexts in which they appear in this Circular.

9. 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 December 2013;
- (c) the letters of consent referred to in paragraph 8;
- (d) the notice of resignation as Auditors from EY;
- (e) the professional clearance letter issued by EY to KPMG; and
- (f) Consent to act as Auditors from KPMG.

Yours faithfully

For and on behalf of the Board of Directors of
GSH Corporation Limited

Gilbert Ee Guan Hui
CEO/Executive Director