



GREAT EASTERN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199903008M

LETTER TO SHAREHOLDERS DATED 23 MARCH 2020
IN RELATION TO
THE PROPOSED CHANGE OF AUDITOR

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LETTER TO SHAREHOLDERS

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No.: 199903008M

Directors:

Koh Beng Seng (*Non-Executive Director and Chairman*)
Norman Ip (*Non-Executive Director*)
Law Song Keng (*Independent Director*)
Lee Fook Sun (*Independent Director*)
Kyle Lee Khai Fatt (*Independent Director*)
Soon Tit Koon (*Independent Director*) Teoh
Lian Ee (*Independent Director*) Thean Nam
Yew (*Independent Director*) Samuel N. Tsien
(*Non-Executive Director*) Wee Joo Yeow
(*Non-Executive Director*)

Registered Office:

1 Pickering Street #16-01
Great Eastern Centre
Singapore 048659

23 March 2020

To: The Shareholders of
Great Eastern Holdings Limited (the “**Company**”) Dear

Sir/Madam

1. INTRODUCTION

1.1 Background. We refer to:

- (a) the Notice of the Twenty-First Annual General Meeting (“**AGM**”) of the Company dated 23 March 2020 (the “**Notice**”), accompanying the Annual Report for the financial year ended 31 December 2019, convening the Twenty-First AGM of the Company to be held on 15 April 2020 (the “**2020 AGM**”); and
- (b) Ordinary Resolution No. 5 relating to the proposed change of Auditor from Ernst & Young LLP to PricewaterhouseCoopers LLP (“**PwC**”), as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to Ordinary Resolution No. 5, proposed in the Notice (the “**Proposal**”).

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. THE PROPOSED CHANGE OF AUDITOR

2.1 **Background.** Ordinary Resolution No. 5 proposed in the Notice is to appoint PwC as the Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, and to authorise the Directors of the Company (the “**Directors**”) to fix its remuneration.

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- 2.2 **Rationale.** Ernst & Young LLP has served as external Auditor of the Company since the Company's incorporation in 1999. In line with good corporate governance practice, the Directors are of the view that it would be timely to effect a change of external Auditor with effect from the financial year ending 31 December 2020. Ernst & Young LLP, the retiring Auditor, will accordingly not be seeking re-appointment at the forthcoming 2020 AGM.

As disclosed in last year's Annual Report 2018, PwC was selected for the proposed appointment after the Audit Committee of the Company (the "**Audit Committee**") initiated an audit tender exercise. Four international audit firms were invited to tender for the appointment and all four firms submitted proposals. Management meetings were organised for each firm, allowing them equal access to senior management across the Company's key locations before they submitted their written proposals. Presentations by each firm were made to a selection panel comprising members of the Audit Committee and the audit committee chairmen of the Company's key subsidiaries. The selection panel reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration the audit quality indicators introduced by the Accounting and Corporate Regulatory Authority ("**ACRA**") and the criteria for the evaluation and selection of the external auditors contained in the Guidebook for Audit Committees in Singapore, including factors such as the adequacy of the resources and experience of the auditing firm and the proposed audit engagement partner, the audit firm's other engagements, and the number and experience of supervisory and professional staff to be assigned. Management feedback was also sought and presented as part of the deliberations by the panel. An independent and objective approach was adopted throughout the process.

After due consideration, the selection panel recommended through the Audit Committee, PwC for nomination as external Auditor commencing from the financial year ending 31 December 2020. The Directors have taken into account the Audit Committee's recommendation, including the factors considered in their evaluation, and are satisfied that PwC will be able to meet the audit requirements of the Company.

The proposed change of external Auditor would also provide the Company with fresh perspectives and views of another professional audit firm and thus, could further enhance the value of the audit.

The scope of audit services to be provided by PwC will be comparable to those currently provided by Ernst & Young LLP.

- 2.3 **Information on PwC.** PwC is a leading professional services firm with more than 2,500 staff, including over 100 partners, in Singapore. PwC in Singapore has over 1,600 professional staff in its assurance practice as at 31 January 2020. PwC provides a wide range of services to help organisations, including financial institutions, solve their business issues and identify and maximise the opportunities their clients seek. Globally, PricewaterhouseCoopers is a network of firms in 158 countries with over 250,000 individuals who deliver assurance, advisory and tax services to their clients.

The audit partner who will be in charge of the audit is Hans Koopmans, who has more than 30 years of experience working in Singapore, Indonesia, New Zealand and The Netherlands. He specialises in the financial services industry. Mr Koopmans is a member of the Institute of Singapore Chartered Accountants, as well as a public accountant registered with ACRA.

For more information about PwC, please visit <https://www.pwc.com/sg/en/>.

- 2.4 **Confirmations.** In accordance with the requirements of Rule 1203(5) of the listing manual of the SGX-ST (the "**Listing Manual**"):
- (a) the outgoing Auditor, Ernst & Young LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, PwC, should not accept appointment as Auditor of the Company;
 - (b) the Company confirms that there were no disagreements with the outgoing Auditor, Ernst & Young LLP, on accounting treatments within the last 12 months;

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- (c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of Shareholders; and
- (d) the Company confirms that it is or will be in compliance with Rules 712 and 715¹ of the Listing Manual in relation to the appointment of PwC as the Auditor of the Company.

2.5 **Nomination Notice.** Pursuant to Section 205 of the Companies Act, Chapter 50 of Singapore, a copy of the notice of nomination of the proposed new Auditor dated 23 March 2020 from a Shareholder is attached in the Appendix to this Letter.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 **Directors' Interests.** The interests of the Directors in shares of the Company, as extracted from the Register of Directors' Shareholdings, as at 28 February 2020 (the "Latest Practicable Date"), are set out below:

	Number of Shares			% of Issued Shares ⁽¹⁾
	Direct Interest	Deemed Interest	Total Interest	
Koh Beng Seng	–	–	–	–
Norman Ip	–	–	–	–
Law Song Keng	–	–	–	–
Lee Fook Sun	–	–	–	–
Kyle Lee Khai Fatt	–	–	–	–
Soon Tit Koon	–	–	–	–
Teoh Lian Ee	–	5,000 ⁽²⁾	5,000	nm ⁽³⁾
Thean Nam Yew	–	–	–	–
Samuel N. Tsien	–	–	–	–
Wee Joo Yeow	–	–	–	–

Notes:

⁽¹⁾ Based on 473,319,069 issued shares as at the Latest Practicable Date.

⁽²⁾ Held by spouse.

⁽³⁾ "nm" means not meaningful.

3.2 **Substantial Shareholder's Interests.** The interests of the substantial Shareholders in shares of the Company, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Shares			% of Issued Shares ⁽¹⁾
	Direct Interest	Deemed Interest	Total Interest	
Oversea-Chinese Banking Corporation Limited	416,010,959 ⁽²⁾	74,000 ⁽³⁾	416,084,959	87.91%

Notes:

⁽¹⁾ Based on 473,319,069 issued shares as at the Latest Practicable Date.

⁽²⁾ Shares registered in the name of Citibank Nominees Singapore Pte Ltd.

⁽³⁾ Comprises deemed interest in 7,000 shares held by its subsidiary, BOS Trustee Limited, as trustee of Kudz Trust, and 67,000 shares held by BOS Trustee Limited as trustee of The SOME Trust.

¹ PwC will audit all of the Company's significant foreign-incorporated subsidiaries and associated companies, and Rule 715(2) of the Listing Manual has been or will be complied with.

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4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the proposed appointment of PwC as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. 5, being the Ordinary Resolution relating to the appointment of PwC as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, to be proposed at the 2020 AGM.

5. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 1 Pickering Street, #16-01 Great Eastern Centre, Singapore 048659 during normal business hours from the date of this Letter up to the date of the 2020 AGM:

- (a) the Constitution of the Company;
- (b) the Annual Report of the Company for the financial year ended 31 December 2019; and
- (c) PwC's formal letter of consent to act as Auditor of the Company.

The Annual Report of the Company for the financial year ended 31 December 2019 may also be accessed at the URL: <https://www.greateasternlife.com/sg/en/about-us/investor-relations/annual-reports.html>

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposal, and the Company and its subsidiaries which are relevant to the Proposal, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter 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 Letter in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors of
GREAT EASTERN HOLDINGS LIMITED

KOH BENG SENG
CHAIRMAN

APPENDIX

NOTICE OF NOMINATION

23 March 2020

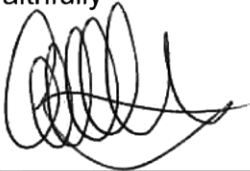
The Board of Directors
Great Eastern Holdings Limited
1 Pickering Street #16-01
Great Eastern Centre
Singapore 048659

Dear Sirs

Notice of Nomination

Pursuant to Section 205(11) of the Companies Act, Chapter 50, I, Chan U-Meng Colin, in my capacity as a member of Great Eastern Holdings Limited (the "**Company**"), hereby give notice of my nomination of PricewaterhouseCoopers LLP of 7 Straits View, Marina One East Tower, Level 12 Singapore 018936 for appointment as the Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP of One Raffles Quay, North Tower, Level 18 Singapore 048583 at the forthcoming 21st Annual General Meeting of the Company to be held on 15 April 2020 or at any adjournment thereof.

Yours faithfully



Chan U-Meng Colin
Member, Great Eastern Holdings Limited

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