

V2Y CORPORATION LTD.
(Incorporated in Singapore)
(Company Registration No. 201717972D)

PROPOSED CHANGE OF AUDITORS

1. INTRODUCTION

- 1.1. The Board of Directors (the “**Board**”) of V2Y Corporation Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to change the auditors of the Company from Deloitte & Touche LLP (“**Deloitte**”) to BDO LLP (“**BDO**”) to audit the financial statements of the Company for the financial year ending 31 December 2020 (the “**Proposed Change of Auditors**”).
- 1.2. The Company’s current auditor, Deloitte, has been serving as auditors of the Company since 28 March 2018 and was last re-appointed, at the AGM of the Company held on 28 May 2020, to hold office until the conclusion of the next AGM. Deloitte was also the reporting auditors of the Company in relation to its initial public offering in 2018.
- 1.3. As part of the Group’s ongoing efforts to manage its overall business costs and expenses given the Group’s current level of activities and business, particularly following the completion of the disposal of the entire e-commerce, e-commerce enabler and logistics business of the Group on 5 November 2020, the Board is of the view that it would be an opportune time to review the appointment of auditors as it will provide the Group with an opportunity to benchmark its audit fees and realise costs efficiencies.

2. THE PROPOSED CHANGE OF AUDITORS

- 2.1. In light of the foregoing reasons, the Company’s management team had sought proposals from several reputable audit firms in Singapore for the Audit Committee of the Company (the “**Audit Committee**”) and the Board’s deliberation and evaluation. In this regard, following deliberations and evaluations of the various proposals received, the Board, in consultation with the Audit Committee, had selected BDO for the proposed appointment.
- 2.2. The Audit Committee, in its evaluation process, had reviewed and deliberated on the various proposals received from each of the audit firms and had taken into consideration the requirements set out under Rules 712 and 715 of the Catalist Rules as well as factors such as the Audit Quality Indicators Disclosure Framework issued by Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”), the adequacy of the resources and experience of the auditing firms and the audit engagement partner to be assigned to the audit, other audit engagements of the auditing firms, the Group’s audit requirements (taking into consideration the size and complexity of the Group’s business and operations) and the number and experience of supervisory and professional staff to be assigned to the audit.
- 2.3. After its evaluation, the Audit Committee had recommended to the Board that BDO be selected for the proposed appointment on the basis that it best suits the current business and operational needs of the Group.
- 2.4. In arriving at its decision to appoint BDO, the Board had taken into account the Audit Committee’s recommendation, including the factors considered in their evaluation, and is satisfied that BDO and Mr Yeo Siok Yong, the audit engagement partner, are well suited to meet the existing needs and audit requirements of the Group, and that the quality of the audit is expected to be maintained. In addition, the Board, in consultation with the Company’s Audit Committee, has determined that the proposed professional fees of BDO

are reasonable and competitive. The Proposed Change of Auditors will result in cost savings of approximately S\$45,000.00 and this represented a 22% reduction in audit fees as compared to the audit fees proposed by Deloitte in respect of FY2020. The Company does not expect the reduction in cost to affect the quality of the audit to be undertaken and confirms that there will be no change to the scope of audit.

- 2.5. In connection with the Proposed Change of Auditors, Deloitte had, on 23 November 2020, applied to ACRA to seek its consent to resign as auditors of the Company and its Singapore-incorporated subsidiaries and BDO had, on 17 November 2020, given their written consent to act as auditors of the Company and its Singapore-incorporated subsidiaries, subject to the approval of the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting to be convened for the Proposed Change of Auditors (“**EGM**”).
- 2.6. Pursuant to Section 205AB(5) of the Companies Act, Cap. 50 of Singapore (the “**Companies Act**”), the resignation of Deloitte will take effect on the latest of these dates:
 - 2.6.1. on the day specified by Deloitte in the notice of resignation;
 - 2.6.2. on the day on which ACRA notifies Deloitte and the Company of ACRA’s consent to the resignation; or
 - 2.6.3. on the day fixed by ACRA.

ACRA had, on 9 December 2020, consented to the resignation of Deloitte and fixed Deloitte’s resignation date on 9 December 2020. Further to this, Deloitte had also, on 9 December 2020, provided its notice of resignation as auditors to the Company. A copy of the notice of resignation is annexed to this announcement.

- 2.7. Accordingly, the resignation of Deloitte as auditors of the Company took effect on 9 December 2020.
- 2.8. The Board would like to take this opportunity to express their appreciation for the past services rendered by Deloitte.

3. EXTRAORDINARY GENERAL MEETING

- 3.1. Pursuant to Rule 712(3) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”) and Section 205AF of the Companies Act, the appointment of BDO as auditors of the Company must be specifically approved by Shareholders in a general meeting. The appointment of BDO as the new auditors of the Company will therefore take effect upon the approval of the same by Shareholders at the EGM, and if appointed, BDO will hold office until the conclusion of the next AGM of the Company.
- 3.2. In accordance with the requirements of Rule 712(3) of the Catalist Rules:
 - 3.2.1. Deloitte has confirmed by way of its letter dated 17 November 2020 to BDO that it is not aware of any professional reasons why BDO should not accept appointment as the new auditors of the Company;
 - 3.2.2. the Board confirms that there were no disagreements with Deloitte on accounting treatments within the last 12 months up to the date of this announcement;
 - 3.2.3. the Board confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of

Shareholders which has not been disclosed in this announcement and/or the circular to Shareholders to be despatched in due course;

- 3.2.4. the reasons for the Proposed Change of Auditors are as disclosed above. The Proposed Change of Auditors is neither due to the dismissal of Deloitte, or due to Deloitte declining to stand for election; and
- 3.2.5. the Company confirms that it is in compliance with Rule 712 and Rule 715 of the Catalist Rules in relation to the appointment of BDO as the new auditors of the Company, after taking into account the various factors set out in paragraphs 2.2 and 2.3 of this announcement.

4. CIRCULAR TO SHAREHOLDERS

The Company will make the necessary arrangements for convening of an EGM to seek Shareholders' approval for the Proposed Change of Auditors. A circular to Shareholders containing, among others, further details on the Proposed Change of Auditors, together with the notice of EGM, will be despatched to Shareholders in due course.

By order of the Board of
V2Y CORPORATION LTD.

Ong Shen Chieh (Wang Shengjie)
Executive Director and Chief Executive Officer

9 December 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Khong Choun Mun - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com

9 December 2020

V2Y Corporation Ltd
38 Jalan Pemimpin
#05-09 M38
Singapore 577178

Attention: Mr John Cai

Dear Sir

V2Y CORPORATION LTD.
V2Y PTE. LTD.
1CARE GLOBAL PTE LTD
V2Y INSURTECH PTE LTD
V2Y TECHNOLOGIES PTE LTD (COLLECTIVELY, THE "COMPANIES")
RESIGNATION AS AUDITORS

We refer to your letter dated 4 November 2020.

We hereby give notice to resign as statutory auditors of the above companies. Our resignation will take effect from 9 December 2020 pursuant to section 205AB of the Singapore Companies Act, Cap. 50.

Yours faithfully

