

CIRCULAR DATED 22 FEBRUARY 2006

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the action that 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 ordinary shares in the capital of Greatronic Limited, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the stockbroker, bank 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/referred to, or opinions expressed in this Circular.



GREATRONIC LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197500621N)

CIRCULAR TO SHAREHOLDERS

in relation to

**THE PROPOSED CHANGE OF AUDITORS OF THE COMPANY
FROM MESSRS ERNST AND YOUNG
TO MESSRS MOORE STEPHENS**

IMPORTANT DATES AND TIMES: -

Last date and time for lodgement of Proxy Form	:	7 March 2006 at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	9 March 2006 at 9.30 a.m.
Place of Extraordinary General Meeting	:	Republic of Singapore Yacht Club 52 West Coast Ferry Road Singapore 126887

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GREATRONIC LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197500621N)

Board of Directors: -

James Hong Gee Ho (Chairman)
Goh Boon Kok (Independent Director)
Nicholas Jeyaraj s/o Narayanan (Independent Director)

Registered Office: -

101 Cecil Street
#10-07 Tong Eng Building
Singapore 069533

22 February 2006

LETTER TO SHAREHOLDERS

To: The shareholders of Greatronic Limited

Dear Sir/Madam

THE PROPOSED CHANGE OF AUDITORS OF THE COMPANY FROM MESSRS ERNST AND YOUNG TO MESSRS MOORE STEPHENS

1. INTRODUCTION

The directors (the “**Directors**”) of Greatronic Limited (the “**Company**”) are convening an extraordinary general meeting (“**EGM**”) to be held on 9 March 2006 to seek the approval of shareholders of the Company (the “**Shareholders**”) in relation to the proposed change of auditors of the Company (“**Auditors**”) from Messrs Ernst and Young (“**E&Y**”) to Messrs Moore Stephens (“**Moore Stephens**”) (the “**Proposed Change of Auditors**”).

The purpose of this circular (“**Circular**”) is to provide Shareholders with information relating to the Proposed Change of Auditors and to seek Shareholders’ approval at the forthcoming EGM.

2. THE PROPOSED CHANGE OF AUDITORS

As part of the Company’s efforts to be cost efficient, the Directors have sought quotations for the audit of the Company for the financial year ended 31 December 2005 from various audit firms. A competitive fee quote was given by Moore Stephens following a review of fee proposals from other firms in consultation with the audit committee of the Company (the “**Audit Committee**”).

The Directors, having considered the adequacy of the resources of Moore Stephens, the experience of Moore Stephens, the number and experience of the supervisory and professional staff to be assigned to the audit of the consolidated accounts of the Company, Moore Stephens’ audit engagements and their proposed audit arrangements for the Company, and the size and complexity of the Company’s operations, are of the opinion that Moore Stephens will be able to meet the audit requirements of the Company.

E&Y have, on 4 October 2005 given notice to the Directors of their resignation as Auditors and Moore Stephens have, on 18 January 2006, given their consent to act as Auditors, subject to the approval of Shareholders at the EGM. Pursuant to Section 205(15) of the Companies Act, Chapter 50, the resignation of E&Y as Auditors will only take effect upon the appointment of another Auditor at a general meeting. Accordingly, the appointment of Moore Stephens as Auditors of the Company in place of E&Y will take effect upon the approval of the same by Shareholders at the EGM.

The Directors have confirmed that there are no circumstances connected with the Proposed Change of Auditors that need to be brought to the attention of Shareholders.

E&Y have confirmed that they are not aware of any professional reasons why the successor Auditors should not accept appointment as Auditors except that they draw the successor Auditors’ attention to the disclaimer report dated 7 April 2005 issued by them on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2004.

The Proposed Change of Auditors has been deliberated upon and recommended by the Audit Committee.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The issue of this Circular has been approved by the Directors (including those who may have been delegated detailed supervision of the preparation of this Circular) who have taken all reasonable steps to ensure that, to the best of their knowledge and belief, the facts stated and the opinions expressed in this Circular are fair and accurate and no material facts have been omitted from this Circular. The Directors jointly and severally accept responsibility accordingly.

4. DIRECTORS' RECOMMENDATION

The Directors 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 in respect to the Proposed Change of Auditors at the EGM.

5. EXTRAORDINARY GENERAL MEETING

The EGM, a notice of which is set out in the section on "Notice of Extraordinary General Meeting", is to be held at Republic of Singapore Yacht Club, 52 West Coast Ferry Road, Singapore 126887 on 9 March 2006 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without any amendment the resolution set out in the notice of the EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote on their behalf should complete, sign and return the attached proxy form 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 101 Cecil Street, #10-07 Tong Eng Building, Singapore 069533 not less than 48 hours before the time fixed for the EGM. The completion and lodgement of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he so wishes.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 101 Cecil Street, #10-07 Tong Eng Building, Singapore 069533 during normal business hours from the date of this Circular up to and including the date of the EGM: -

- (a) The Memorandum and Articles of Association of the Company;
- (b) The notice of resignation as Auditors dated 4 October 2005 from Messrs Ernst and Young; and
- (c) The letter of consent to act as Auditors dated 18 January 2006 from Messrs Moore Stephens.

Yours faithfully

For and on behalf of the Board of Directors
GREATRONIC LIMITED

James Hong Gee Ho
Chairman

GREATRONIC LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197500621N)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Greatronic Limited (the “**Company**”) will be held at Republic of Singapore Yacht Club, 52 West Coast Ferry Road, Singapore 126887 on 9 March 2006 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following: -

AS AN ORDINARY RESOLUTION

CHANGE OF AUDITORS

“That Messrs Moore Stephens be and are hereby appointed as auditors of the Company in place of Messrs Ernst and Young, to hold office until the conclusion of the next Annual General Meeting at a fee to be agreed between the Directors and Messrs Moore Stephens.”

By Order of the Board

Seah Hai Yang
Company Secretary
Singapore, 22 February 2006

NOTES:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the registered office of the Company at 101 Cecil Street, #10-07 Tong Eng Building, Singapore 069533 not less than 48 hours before the time of the Extraordinary General Meeting.

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GREATRONIC LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 197500621N)

PROXY FORM

Important :

1. For investors who have used their Central Provident Fund ("CPF") monies to buy the Company's shares, this Circular is forwarded to them at the request of their CPF approved nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ NRIC/Passport No. _____

of _____ (Address)

being a member/members of **GREATRONIC LIMITED**, hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

or failing *him/them, the Chairman of the meeting as my/our proxy/proxies to attend and to vote for me/ us on my/our behalf and, if necessary, to demand a poll at the **Extraordinary General Meeting** of the Company to be held at Republic of Singapore Yacht Club, 52 West Coast Ferry Road, Singapore 126887 on 9 March 2006, at 9.30 a.m. and at any adjournment thereof.

Note: Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolution as set out in the **Notice of Extraordinary General Meeting**. In the absence of specific directions or in the event of any item arising not summarised below, the proxy/proxies may vote or abstain as he/they may think fit.

No.	Resolution	For	Against
1	To approve the Proposed Change of Auditors		

Note: Please note that the short description given above of the Resolution to be passed does not in any way whatsoever reflect the intent and purpose of the Resolution. The short description has been inserted for convenience only. Shareholders are encouraged to refer to the **Notice of Extraordinary General Meeting** for the full purpose and intent of the Resolution to be passed.

Dated this _____ day of _____ 2006

Total Number of Shares Held

Signature(s) of Member(s)/
Common Seal of Corporate Shareholder

IMPORTANT: - PLEASE READ NOTES OVERLEAF



IMPORTANT NOTES TO PROXY FORM: -

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than 2 proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 101 Cecil Street, #10-07 Tong Eng Building, Singapore 069533 not less than 48 hours before the time appointed for the meeting.
4. Where a member appoints 2 proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation that is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares against his name in the Depository Register as at 48 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

Affix
stamp
here

GREATRONIC LIMITED

101 Cecil Street
#10-07 Tong Eng Building
Singapore 069533