

## Directors' Report

for the year ended August 31, 2005

The Directors present their report together with the audited financial statements of the Group and balance sheet of the Company for the year ended August 31, 2005.

### DIRECTORS

1. The Directors in office at the date of this report are:

Lim Chin Beng  
 Cham Tao Soon  
 Chan Heng Loon Alan  
 Willie Cheng Jue Hiang  
 Cheong Choong Kong  
 Lee Ek Tieng  
 Ngiam Tong Dow  
 Philip N Pillai  
 Sum Soon Lim  
 Tony Tan Keng Yam\*  
 Yeo Ning Hong

\* Appointed on September 5, 2005

### ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

2. Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate, except as disclosed under 'Share Options in the Company' in paragraph 6.

### DIRECTORS' INTERESTS IN SHARES

3. The Directors holding office as at August 31, 2005 who had interests in shares and options in the Company and its subsidiaries as recorded in the register of Directors' shareholdings were as follows:

	Direct Interests			Deemed Interests		
	Sept 1, 2004	Aug 31, 2005	Sept 21, 2005	Sept 1, 2004	Aug 31, 2005	Sept 21, 2005
<b>The Company</b>						
<b>Management Shares</b>						
Lim Chin Beng	4	4	4	–	–	–
Cham Tao Soon	4	4	4	–	–	–
Chan Heng Loon Alan	4	12	8*	–	–	–
Willie Cheng Jue Hiang	4	4	4	–	–	–
Cheong Choong Kong	4	4	4	–	–	–
Lee Ek Tieng	4	4	4	–	–	–
Ngiam Tong Dow	4	4	4	–	–	–
Philip N Pillai	4	4	4	–	–	–
Sum Soon Lim	4	4	4	–	–	–
Yeo Ning Hong	4	4	4	–	–	–
<b>Ordinary Shares</b>						
Cham Tao Soon	–	10,000	10,000	10,183	10,183	10,183
Chan Heng Loon Alan	–	39,500	39,500	–	–	–
Willie Cheng Jue Hiang	8,500	8,500	8,500	12,750	12,750	12,750
Cheong Choong Kong	34,000	34,000	34,000	8,500	8,500	8,500
Philip N Pillai	17,000	17,000	17,000	–	–	–
Yeo Ning Hong	33,660	33,660	33,660	54,697 <sup>^</sup>	54,697 <sup>^</sup>	54,697 <sup>^</sup>
<b>Options for Ordinary Shares</b>						
Chan Heng Loon Alan	850,000	1,275,000	1,275,000	–	–	–

\* 4 management shares were transferred to new director, Dr Tony Tan on September 5, 2005.

<sup>^</sup> Held jointly by Dr Yeo and his wife.

Dr Tony Tan, who was appointed as a director on September 5, 2005, holds 4 management shares and 13,727 ordinary shares in the Company as at September 21, 2005.

Full detailed information regarding directors' shareholdings can be obtained in accordance with Sections 164(8) and (9) of the Companies Act, Chapter 50.

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### DIRECTORS' CONTRACTUAL BENEFITS

4. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit under a contract which is required to be disclosed by Section 201(8) of the Companies Act, Chapter 50.

### MATERIAL CONTRACTS

5. There are no material contracts of the Group and of the Company involving the interests of the Chief Executive Officer, each director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

### SHARE OPTIONS IN THE COMPANY

#### *Singapore Press Holdings Group (1999) Share Option Scheme ("1999 Scheme")*

6. (a) The 1999 Scheme was approved by shareholders at an Extraordinary General Meeting held on July 16, 1999.
- (b) Details of options granted previously have been disclosed in the Directors' Reports for the respective years.
- (c) During the financial year, options were granted for a total of 16,514,625 ordinary shares of S\$0.20 each, details of which are as follows:
- (i) Categories of persons to whom options were granted:

Category	No. of Persons	Total No. of Ordinary Shares of S\$0.20 each under
		Options granted
Executive Director	1	637,500
Employee	1,473	15,877,125
	1,474	16,514,625

- (ii) The expiry date of these options is disclosed in Note 3 to the financial statements, provided that they have not been subsequently cancelled.
- (iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.
- (d) The aggregate number of options granted since the commencement of the 1999 Scheme on July 16, 1999 to August 31, 2005 is 85,678,700 options to subscribe for ordinary shares of S\$0.20 each.
7. The unissued ordinary shares of the Company under option at the end of the financial year pursuant to the 1999 Scheme are set out in Note 3 to the financial statements.

### SHARE OPTIONS IN SUBSIDIARIES

#### *SPH MediaWorks Pre-IPO Share Option Scheme ("MediaWorks Pre-IPO Scheme")*

8. Following the completion of the rationalisation of the Group's free-to-air television broadcasting business on December 31, 2004, and the winding up of SPH MediaWorks Ltd on February 4, 2005 under Section 254 of the Companies Act, Chapter 50, all options issued under the MediaWorks Pre-IPO Scheme lapsed and became null and void.

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### *Other Subsidiaries*

9. No option to take up unissued shares of other subsidiaries has been granted during the financial year.
10. No shares of other subsidiaries have been issued during the financial year by virtue of the exercise of options to take up unissued shares.
11. At the end of the financial year, there were no unissued shares of other subsidiaries under option.

### **AUDIT COMMITTEE**

12. The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act, Chapter 50, and the Singapore Exchange Listing Manual.

Its functions include reviewing the audit plans and audit reports of the internal and external auditors, the auditors' evaluation of the internal accounting controls, and the scope of the internal audit function; reviewing the balance sheet of the Company and financial statements of the Group before submitting them to the Board for approval; reviewing any interested person transaction; and reviewing the independence, objectivity and cost effectiveness of the external auditors and the nature and extent of non-audit services supplied by them; and overseeing any internal investigation into cases of fraud and irregularities.

It also recommends to the Board the appointment of external auditors, serves as a channel of communications between the Board and the auditors, and performs such other functions as may be agreed by the Audit Committee and the Board.

On behalf of the Directors



**Lim Chin Beng**  
*Chairman*



**Chan Heng Loon Alan**  
*Director*

Singapore,  
October 11, 2005