

CIRCULAR DATED 1 NOVEMBER 2006

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold all your shares in the capital of Singapore Press Holdings Limited (the “**Company**”), you should hand this Circular, the Notice of Extraordinary General Meeting and the Proxy Form to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale for onward transmission to the purchaser.



Singapore Press Holdings

SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198402868E

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) the proposed renewal of the Share Buy Back Mandate;**
- (2) the proposed alterations to the Articles of Association of the Company; and**
- (3) the proposed adoption of the SPH Performance Share Plan.**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	3 December 2006 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	5 December 2006 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Twenty-Second Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	The Auditorium News Centre 1000 Toa Payoh North 1st Storey Annexe Block Singapore 318994

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CONTENTS

	Page
DEFINITIONS	2
LETTER TO SHAREHOLDERS	4
1. Introduction	4
2. The Proposed Renewal of the Share Buy Back Mandate	5
3. The Proposed Alterations to the Articles of Association	14
4. The 1999 Share Option Scheme	24
5. The Proposed Adoption of the SPH Performance Share Plan	25
6. Directors' Interests	36
7. Directors' Recommendations	37
8. Extraordinary General Meeting	37
9. Action to be taken by Shareholders	37
10. Inspection of Documents	38
11. Directors' Responsibility Statement	38
THE APPENDIX	
The Proposed Alterations to the Articles of Association	39
NOTICE OF EXTRAORDINARY GENERAL MEETING	69
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

"2005 AGM"	:	The annual general meeting of the Company held on 2 December 2005.
"Articles"	:	The Articles of Association of the Company.
"Auditors"	:	The auditors of the Company for the time being.
"Award"	:	A contingent award of Ordinary Shares granted under the SPH Performance Share Plan.
"Award Date"	:	In relation to an Award, the date on which the Award is granted pursuant to the SPH Performance Share Plan.
"CDP"	:	The Central Depository (Pte) Limited.
"Committee"	:	A committee comprising Directors duly authorised and appointed by the Board of Directors to administer the SPH Performance Share Plan.
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore.
"Companies (Amendment) Act"	:	The Companies (Amendment) Act 2005 of Singapore.
"Directors"	:	The Directors of the Company for the time being.
"EGM"	:	The extraordinary general meeting of the Company, notice of which is given on pages 69 to 71 of this Circular.
"EPS"	:	Earnings per Share.
"Group"	:	The Company and its subsidiaries.
"Latest Practicable Date"	:	2 October 2006, being the latest practicable date prior to the printing of this Circular.
"2005 Letter"	:	The Letter to Shareholders dated 2 November 2005.
"Listing Manual"	:	The Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date.
"Management Shareholders"	:	Persons who are registered as holders of Management Shares in the Register of Members of the Company.
"Management Shares"	:	Management shares in the capital of the Company.
"Market Day"	:	A day on which the SGX-ST is open for trading in securities.
"New Ordinary Shares"	:	The new Ordinary Shares which may be allotted and issued from time to time pursuant to the exercise of Options granted under the 1999 Share Option Scheme and/or pursuant to the vesting of Awards under the SPH Performance Share Plan.
"Newspaper Act"	:	The Newspaper and Printing Presses Act, Chapter 206 of Singapore.
"NTA"	:	Consolidated net tangible assets of the Company.

DEFINITIONS

“Option”	:	An option over Ordinary Shares granted pursuant to the 1999 Share Option Scheme.
“Ordinary Shareholders”	:	Registered holders of Ordinary Shares, except that where the registered holder is CDP, the term “Ordinary Shareholders” shall, where the context admits, mean the Depositors whose Securities Accounts are credited with Ordinary Shares.
“Ordinary Shares”	:	Ordinary shares in the capital of the Company.
“ROE”	:	Return on equity.
“1999 Share Option Scheme”	:	The Singapore Press Holdings Group (1999) Share Option Scheme adopted at an extraordinary general meeting of the Company held on 16 July 1999, as modified from time to time.
“Securities Accounts”	:	Securities accounts maintained by Depositors with CDP but not including securities sub-accounts maintained with a Depository Agent.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Shareholders”	:	Management Shareholders and Ordinary Shareholders.
“Shares”	:	Management Shares and Ordinary Shares.
“SPH” or the “Company”	:	Singapore Press Holdings Limited.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers.
“S\$”, “\$” and “cents”	:	Singapore dollars and cents, respectively.
“%” or “per cent.”	:	Per centum or percentage.

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” 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. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

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 not otherwise defined in this Circular shall have the same 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 is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

LETTER TO SHAREHOLDERS

SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198402868E

Board of Directors:

Tony Tan Keng Yam (*Chairman*)
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
Yeo Ning Hong

Registered Office:

1000 Toa Payoh North
News Centre
Singapore 318994

To: The Shareholders of
Singapore Press Holdings Limited

1 November 2006

Dear Sir/Madam

1. INTRODUCTION

- 1.1 **EGM.** The Directors are convening the EGM to be held on 5 December 2006 to seek Shareholders' approval for the following proposals:
- (a) the proposed renewal of the Share Buy Back Mandate (as defined in paragraph 2.1 below);
 - (b) the proposed alterations to the Articles; and
 - (c) the proposed adoption of the SPH Performance Share Plan.
- 1.2 **Circular.** The purpose of this Circular is to provide Shareholders with information relating to the proposals to be tabled at the EGM.
- 1.3 **Listing of the New Ordinary Shares.** The SGX-ST has granted in-principle approval for the listing and quotation of the New Ordinary Shares (if any) to be issued pursuant to the SPH Performance Share Plan. Admission of the New Ordinary Shares to, and quotation of the New Ordinary Shares on, the Main Board of the SGX-ST are in no way reflective of the merits of the Company, the Group or the SPH Performance Share Plan.
- 1.4 **SGX-ST.** The SGX-ST assumes no responsibility for the accuracy of any of the statements made or opinions expressed in this Circular.

LETTER TO SHAREHOLDERS

2. THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

2.1 **Introduction.** At the 2005 AGM of the Company, Shareholders had approved, *inter alia*, the renewal of a mandate (the “**Share Buy Back Mandate**”) to enable the Company to purchase or otherwise acquire its issued Ordinary Shares. The rationale for, the authority and limitations on, and the financial effects of, the Share Buy Back Mandate were set out in the 2005 Letter and Ordinary Resolution 8(iii) under the heading “Special Business” set out in the Notice of the 2005 AGM.

The Share Buy Back Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 8(iii) at the 2005 AGM and will expire on the date of the forthcoming Twenty-Second Annual General Meeting (the “**2006 AGM**”) which has been convened to be held on 5 December 2006 immediately preceding the EGM to be held on the same date. Accordingly, the Directors propose that the Share Buy Back Mandate be renewed at the EGM immediately following the 2006 AGM.

2.2 **Rationale.** The rationale for the Company to undertake the purchase or acquisition of its issued Ordinary Shares (“**Share Buy Back**”), as previously stated on pages 1 and 2 of the 2005 Letter, is as follows:

- (a) It is a principal mission of the Directors and management to constantly increase Shareholders’ value and to improve, *inter alia*, the ROE of the Group. Share Buy Backs at the appropriate price level is one of the ways through which the ROE of the Group may be enhanced.
- (b) The Share Buy Back Mandate will enable the Directors to return part of the Group’s surplus funds, in excess of the financial and possible investment needs of the Group, to the Shareholders. It is an expedient, effective and cost-efficient way of returning surplus cash to Shareholders.
- (c) The Share Buy Back Mandate will give the Company greater flexibility to control, *inter alia*, the Company’s share capital structure and give Directors the ability to purchase the Ordinary Shares on the SGX-ST, where appropriate, to buffer short-term share price volatility.

2.3 **Authority and Limits on the Share Buy Back Mandate.** The authority and limitations placed on purchases or acquisitions of Ordinary Shares under the Share Buy Back Mandate, if renewed at the EGM, are substantially the same as previously approved by Shareholders and are as follows:

2.3.1 **Maximum Number of Ordinary Shares**

Only Ordinary Shares which are issued and fully paid may be purchased or acquired by the Company. The total number of Ordinary Shares which may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate is limited to that number of Ordinary Shares representing not more than 10% of the issued Ordinary Shares as at the date of the EGM at which the renewal of the Share Buy Back Mandate is approved. Following the introduction of the Companies (Amendment) Act, any Ordinary Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit.

LETTER TO SHAREHOLDERS

Based on the number of issued and paid-up Ordinary Shares as at the Latest Practicable Date and assuming no further Ordinary Shares are issued, and no Ordinary Shares are held by the Company as treasury shares, on or prior to the EGM, the purchase by the Company of up to the maximum limit of 10% of its issued Ordinary Shares will result in the purchase or acquisition of 157,986,330 Ordinary Shares. However, as at the Latest Practicable Date, the Company has, pursuant to the Share Buy Back Mandate approved by Shareholders at the 2005 AGM, purchased 3,001,000 Ordinary Shares all of which are held by the Company as treasury shares. Accordingly, the maximum number of Ordinary Shares which may be purchased by the Company pursuant to the proposed Share Buy Back Mandate, if its renewal is approved by Shareholders at the EGM, is 157,686,230 Ordinary Shares.

2.3.2 *Duration of Authority*

Purchases or acquisitions of Ordinary Shares may be made, at any time and from time to time, on and from the date of the EGM at which the renewal of the Share Buy Back Mandate is approved up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the authority conferred by the Share Buy Back Mandate is revoked or varied,

whichever is the earlier.

2.3.3 *Manner of Share Buy Back*

A Share Buy Back may be made by way of:

- (a) an on-market Share Buy Back ("**On-Market Share Buy Back**"), transacted on the SGX-ST through the ready market or the special trading counter on SGX-ST trading system, through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or
- (b) an off-market Share Buy Back ("**Off-Market Equal Access Share Buy Back**") effected pursuant to an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy Back Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Equal Access Share Buy Back must, however, satisfy all the following conditions:

- (i) offers for the Share Buy Back shall be made to every person who holds Ordinary Shares to purchase or acquire the same percentage of their Ordinary Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Ordinary Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Ordinary Shares.

LETTER TO SHAREHOLDERS

If the Company wishes to make an Off-Market Equal Access Share Buy Back in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) terms and conditions of the offer;
- (II) period and procedures for acceptances; and
- (III) information required under Rules 883(2), (3), (4) and (5) of the Listing Manual.

2.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for an Ordinary Share will be determined by the committee constituted for the purposes of effecting Share Buy Backs. The purchase price to be paid for the Ordinary Shares pursuant to Share Buy Backs (both On-Market Share Buy Backs and Off-Market Equal Access Share Buy Backs) must not exceed 105% of the Average Closing Price of the Ordinary Shares (excluding related expenses of the purchase or acquisition).

For the above purposes:

“Average Closing Price” means the average of the last dealt prices of an Ordinary Share for the five consecutive Market Days on which the Ordinary Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Share Buy Back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Equal Access Share Buy Back, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs after the relevant five-day period; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Equal Access Share Buy Back, stating the purchase price (which shall not be more than 105% of the Average Closing Price of the Ordinary Shares, excluding related expenses of the purchase or acquisition) for each Ordinary Share and the relevant terms of the equal access scheme for effecting the Off-Market Equal Access Share Buy Back.

2.4 **Status of Purchased Ordinary Shares.** Ordinary Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Ordinary Shares will expire on such cancellation) unless such Ordinary Shares are held by the Company as treasury shares. The total number of issued Ordinary Shares will be diminished by the number of Ordinary Shares purchased or acquired by the Company and which are not held as treasury shares.

2.5 **Treasury Shares.** Under the Companies Act, as amended by the Companies (Amendment) Act, Ordinary Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act, as amended by the Companies (Amendment) Act, are summarised below:

2.5.1 **Maximum Holdings**

The number of Ordinary Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Ordinary Shares.

LETTER TO SHAREHOLDERS

2.5.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 ***Disposal and Cancellation***

Where Ordinary Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

2.6 **Funding of Share Buy Backs.** The Company may use internal sources of funds, or a combination of internal resources and external borrowings, to finance Share Buy Backs. The Directors do not propose to exercise the Share Buy Back Mandate to such an extent that it would materially affect the working capital requirements or investment ability of the Group.

2.7 **Financial Effects.** The financial effects of a Share Buy Back on the Group will depend on, *inter alia*, whether the Ordinary Shares are purchased or acquired out of profits and/or capital of the Company, the number of Ordinary Shares purchased or acquired, the price paid for such Ordinary Shares and whether the Ordinary Shares purchased or acquired are held in treasury or cancelled. The financial effects on the audited financial information of the Group for the financial year ended 31 August 2006 are based on the assumptions set out below:

2.7.1 ***Purchase or Acquisition out of Profits and/or Capital***

Under the Companies Act, as amended by the Companies (Amendment) Act, purchases or acquisitions of Ordinary Shares by the Company may be made out of the Company's profits and/or capital.

Where the consideration paid by the Company for the purchase or acquisition of Ordinary Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

LETTER TO SHAREHOLDERS

Where the consideration paid by the Company for the purchase or acquisition of Ordinary Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

2.7.2 ***Number of Ordinary Shares Acquired or Purchased***

Based on the number of issued and paid-up Ordinary Shares as at the Latest Practicable Date and assuming no further Ordinary Shares are issued, and no further Ordinary Shares are purchased and held by the Company as treasury shares, on or prior to the EGM, the maximum number of Ordinary Shares which the Company may purchase or acquire is 157,686,230 Ordinary Shares. (Please refer to paragraph 2.3.1 above).

2.7.3 ***Maximum Price Paid for Ordinary Shares Acquired or Purchased***

Assuming that the Company purchases or acquires the 157,686,230 Ordinary Shares at the Maximum Price of S\$4.28 for one Ordinary Share (being the price equivalent to 105% of the average last dealt prices of the Ordinary Shares for the five consecutive Market Days on which the Ordinary Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for such Share Buy Back is approximately S\$674.9 million.

The maximum amount of funds required for such Share Buy Back is the same regardless of whether the Company effects an On-Market Share Buy Back or an Off-Market Equal Access Share Buy Back.

For illustrative purposes only, assuming:

- (a) the Share Buy Back Mandate had been effective on 1 September 2005;
- (b) 337,275 Ordinary Shares issued pursuant to the exercise of Options granted under the 1999 Share Option Scheme and 3,407 Management Shares issued in consequence thereof between 1 September 2006 and the Latest Practicable Date, had been issued on 1 September 2005;
- (c) the Company had purchased 157,686,230 Ordinary Shares (representing 10% of its issued Ordinary Shares as at the Latest Practicable Date) on 1 September 2005 at S\$4.28 for each Ordinary Share (being 105% of the average last dealt prices of the Ordinary Shares for the five consecutive Market Days on which the Ordinary Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date); and
- (d) the purchase or acquisition of 157,686,230 Ordinary Shares was made equally out of profits and capital and cancelled or held in treasury;

the financial effects of the Share Buy Back (whether pursuant to an On-Market Share Buy Back or an Off-Market Equal Access Share Buy Back) on the audited financial information of the Group for the financial year ended 31 August 2006 would have been as follows:

LETTER TO SHAREHOLDERS

Scenario 1

Share Buy Back of up to a maximum of 10% made equally out of profits (5%) and capital (5%) and all cancelled

	←	Group	→
	Per Audited Accounts S\$'000	Adjusted before the Share Buy Back ⁽¹⁾ S\$'000	Proforma after the Share Buy Back S\$'000
Shareholders' funds ^(2a)	2,046,395	2,047,707	1,355,290
Net assets ^(2b)	2,046,395	2,047,707	1,355,290
Current assets	900,936	902,248	312,805
Current liabilities	307,988	307,988	303,608
Total borrowings ^(2c)	611,445	611,445	611,445
Profit attributable to shareholders	428,460	428,460	459,601
Number of Shares ('000)			
Ordinary shares	1,579,526	1,579,863	1,422,177
Management shares	16,148	16,152	16,152
Less: Treasury shares	(3,001)	(3,001)	(3,001)
Issued and paid-up share capital (net of Treasury shares)	1,592,673	1,593,014	1,435,328
Weighted average number of issued and paid-up shares	1,592,935	1,593,275	1,435,589
Financial ratios			
Net assets per share	S\$1.28	S\$1.29	S\$0.94
Current ratio ^(2d) (times)	2.93	2.93	1.03
Gearing ^(2e) (times)	0.30	0.30	0.45
Earnings per share ^(2f)	S\$0.27	S\$0.27	S\$0.32
Return on Shareholders' funds ^(2g) (%)	20.94	20.92	33.91

Notes:

(1) Adjusted for 340,682 Ordinary Shares issued pursuant to the exercise of 337,275 Options and 3,407 Management Shares issued consequent thereof between 1 September 2006 and the Latest Practicable Date.

(2) For the purposes of the above calculations:

- (a) "Shareholders' funds" means the aggregate amount of issued share capital, treasury shares, capital reserve, share-based compensation reserve, hedging reserve, fair value reserve, retained profit and exchange translation reserve;
- (b) "Net assets" as disclosed above excludes minority interests;
- (c) "Total borrowings" means the aggregate borrowings from banks and financial institutions;
- (d) "Current ratio" represents the ratio of current assets to current liabilities;
- (e) "Gearing" represents the ratio of total borrowings to Shareholders' funds;
- (f) "Earnings per share" is calculated based on Profit attributable to shareholders and Weighted average number of issued and paid-up shares; and
- (g) "Return on Shareholders' funds" is calculated based on Profit attributable to shareholders and Shareholders' funds.

LETTER TO SHAREHOLDERS

Scenario 2

Share Buy Back of up to a maximum of 10% made equally out of profits (5%) and capital (5%) and all held in treasury

	←	Group	→
	Per Audited Accounts S\$'000	Adjusted before the Share Buy Back ⁽¹⁾ S\$'000	Proforma after the Share Buy Back S\$'000
Shareholders' funds ^(2a)	2,046,395	2,047,707	1,355,290
Net assets ^(2b)	2,046,395	2,047,707	1,355,290
Current assets	900,936	902,248	312,805
Current liabilities	307,988	307,988	303,608
Total borrowings ^(2c)	611,445	611,445	611,445
Profit attributable to shareholders	428,460	428,460	459,601
Number of Shares ('000)			
Ordinary shares	1,579,526	1,579,863	1,579,863
Management shares	16,148	16,152	16,152
Less: Treasury shares	(3,001)	(3,001)	(160,687)
Issued and paid-up share capital (net of Treasury shares)	1,592,673	1,593,014	1,435,328
Weighted average number of issued and paid-up shares	1,592,935	1,593,275	1,435,589
Financial ratios			
Net assets per share	S\$1.28	S\$1.29	S\$0.94
Current ratio ^(2d) (times)	2.93	2.93	1.03
Gearing ^(2e) (times)	0.30	0.30	0.45
Earnings per share ^(2f)	S\$0.27	S\$0.27	S\$0.32
Return on shareholders' funds ^(2g) (%)	20.94	20.92	33.91

Notes:

(1) Adjusted for 340,682 Ordinary Shares issued pursuant to the exercise of 337,275 Options and 3,407 Management Shares issued consequent thereof between 1 September 2006 and the Latest Practicable Date.

(2) For the purposes of the above calculations:

- (a) "Shareholders' funds" means the aggregate amount of issued share capital, treasury shares, capital reserve, share-based compensation reserve, hedging reserve, fair value reserve, retained profit and exchange translation reserve;
- (b) "Net assets" as disclosed above excludes minority interests;
- (c) "Total borrowings" means the aggregate borrowings from banks and financial institutions;
- (d) "Current ratio" represents the ratio of current assets to current liabilities;
- (e) "Gearing" represents the ratio of total borrowings to Shareholders' funds;
- (f) "Earnings per share" is calculated based on Profit attributable to shareholders and Weighted average number of issued and paid-up shares; and
- (g) "Return on Shareholders' funds" is calculated based on Profit attributable to shareholders and Shareholders' funds.

LETTER TO SHAREHOLDERS

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE AFOREMENTIONED ASSUMPTIONS). IN PARTICULAR, IT IS IMPORTANT TO NOTE THAT THE ABOVE ANALYSIS IS BASED ON THE HISTORICAL PROFORMA NUMBERS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2006, AND IS NOT NECESSARILY REPRESENTATIVE OF FUTURE FINANCIAL PERFORMANCE.

Although the Share Buy Back Mandate would authorise the Company to purchase or acquire up to 10% of its issued Ordinary Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Ordinary Shares. In addition, the Company may cancel all or part of the Ordinary Shares repurchased or hold all or part of the Ordinary Shares repurchased as treasury shares.

- 2.8 **Shareholding Limits.** The Newspaper Act prohibits any person from being a substantial shareholder of a newspaper company or any person, whether alone or together with his associates (as defined in the Newspaper Act) from holding or controlling 12% of the voting shares or any person from being an indirect controller (as defined in the Newspaper Act) of a newspaper company (collectively, the “**Prescribed Limits**”), without first obtaining the approval of the Minister for Information, Communications and the Arts (the “**Minister**”).

A Share Buy Back may inadvertently cause the percentage shareholding of a Shareholder whose current shareholding in the Company is close to any of the Prescribed Limits, to exceed such limits.

A Shareholder whose current shareholding is close to any of the Prescribed Limits and whose shareholding may exceed any such limits by reason of a Share Buy Back **is advised to seek the prior approval of the Minister** to continue to hold, on such terms as may be imposed by the Minister, the Ordinary Shares which he may hold in excess of any of the Prescribed Limits, as a consequence of a Share Buy Back.

- 2.9 **Take-over implications arising from Share Buy Backs.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Ordinary Shares are set out below.

2.9.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of Ordinary Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change of effective control, or, as result of such increase, a Shareholder or a group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

2.9.2 ***Persons Acting in Concert***

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

LETTER TO SHAREHOLDERS

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv); and
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Ordinary Shares by the Company are set out in Appendix 2 of the Takeover Code (“**Appendix 2**”).

2.9.3 **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 is that:

- (a) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Ordinary Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company’s voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months; and
- (b) a Shareholder who is not acting in concert with Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Ordinary Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company’s voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy Back Mandate.

Shareholders are reminded that those who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of Share Buy Backs by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

LETTER TO SHAREHOLDERS

- 2.10 **Listing Status of the Ordinary Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, all of the issued Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of Ordinary Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Ordinary Shares up to the full 10% limit pursuant to the proposed Share Buy Back Mandate without affecting the listing status of the Ordinary Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

The Company will not effect a Share Buy Back if immediately following the Share Buy Back, the continuing shareholding spread requirement prescribed by the SGX-ST which is in force at the time of the intended Share Buy Back cannot be maintained. The Directors will ensure that Share Buy Backs will not have an adverse effect on the listing status of the Ordinary Shares on the SGX-ST.

- 2.11 **Details of Share Buy Backs in the last 12 months.** In the last 12 months immediately preceding the Latest Practicable Date, the Company purchased or acquired 3,001,000 Ordinary Shares, by way of On-Market Share Buy Backs, pursuant to the Share Buy Back Mandate approved by Shareholders at the 2005 EGM. The highest and lowest price paid was S\$4.10 and S\$3.88 per Ordinary Share respectively. The total consideration paid for all of the purchases was S\$12,026,820.

3. THE PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION

- 3.1 **The Companies (Amendment) Act.** The Companies (Amendment) Act, which came into operation on 30 January 2006, introduced key amendments to the Companies Act resulting in significant changes to the company law regime. These amendments include the abolition of the concepts of par value and authorised capital, and allowing repurchased shares to be held as treasury shares.

With the abolition of the concept of par value pursuant to the Companies (Amendment) Act, shares of a company no longer have any par or nominal value. The concepts of share premium and the issue of shares at a discount have also been abolished accordingly. All amounts standing to the credit of a company's share premium account and capital redemption reserves (if any) as at 30 January 2006 would become part of the company's share capital.

The Companies (Amendment) Act also introduced new provisions on share buy backs and treasury shares. Under these new provisions, a company can now repurchase shares out of capital, as well as from distributable profits. Ordinary shares which are the subject of a share repurchase by a company can be held by that company as treasury shares instead of being cancelled. The right to attend and vote at meetings and the right to dividend or other distributions will be suspended for so long as the repurchased shares are held in treasury.

- 3.2 **Alterations to the Articles.** The Articles need to be altered as a result of the above changes introduced by the Companies (Amendment) Act. The Company is also taking this opportunity to streamline and rationalise certain other provisions in the Articles.

LETTER TO SHAREHOLDERS

3.3 **Summary of Alterations.** The following is a summary of the main proposed alterations to the Articles:

3.3.1 **Article 2**

Article 2 is the interpretation section of the Articles, and is proposed to be altered to provide for (*inter alia*) the following:

- (a) the inclusion of the definitions of “management shares” and “ordinary shares”;
- (b) the alteration of the definition of “Member” to exclude the Company in relation to shares in the Company held by the Company as treasury shares;
- (c) that the expression “treasury shares” is to have the meaning ascribed to it in the Companies Act, namely, shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Companies Act applies, and have been held by the Company continuously since the treasury shares were so purchased; and
- (d) that, except where otherwise expressly provided in the Articles, references in the Articles to “holders” of shares or a class of shares shall exclude the Company in relation to shares held by it as treasury shares.

3.3.2 **Article 5**

Article 5 provides for the authorised capital of the Company comprising Ordinary Shares and Management Shares, each having a par value of S\$1. Article 5 is proposed to be deleted following the abolition of the concepts of authorised capital and nominal value of shares pursuant to the Companies (Amendment) Act.

3.3.3 **Article 6(1)**

Article 6(1) provides that not less than 1% of all issued shares shall consist of Management Shares. It also provides that Management Shares shall have the same par value of Ordinary Shares as required under Section 10(14) of the Newspaper Act. Article 6(1) is proposed to be amended to remove the reference to Management Shares having the same par value as Ordinary Shares following the abolition of the concept of par value pursuant to the Companies (Amendment) Act and the consequential amendment to Section 10(14) of the Newspaper Act.

3.3.4 **Article 9(2)**

Article 9(2) is proposed to be amended to substitute the reference therein to “these presents” with “these Articles”.

3.3.5 **Article 10**

Article 10 provides that the Company may, subject to and in accordance with the Companies Act, purchase or otherwise acquire its issued shares (other than Management Shares) and, if required by the Companies Act, any share which is purchased or acquired shall be cancelled immediately on purchase or acquisition. In any other instance, the Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act.

LETTER TO SHAREHOLDERS

Article 10 is proposed to be amended, in line with the provisions of the Companies (Amendment) Act, to enable the Company to either cancel Ordinary Shares purchased by it or to hold such Ordinary Shares as treasury shares.

3.3.6 **Article 11**

Article 11(ii) provides that no shares are to be issued at a discount except in accordance with the provisions of the Companies Act, and is proposed to be deleted following the abolition of the concept of the issue of shares at a discount pursuant to the Companies (Amendment) Act.

3.3.7 **Article 13(1)**

Article 13(1) provides for the rights of preference shareholders. As required by the Listing Manual, it also provides that in the event of preference shares being issued, the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued Ordinary Shares. In view of the abolition of the concept of par value, it is proposed that this provision be amended so as to provide that preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchange on which the shares in the Company may be listed.

3.3.8 **New Article 13A**

New Article 13A on treasury shares is proposed to be inserted. This new Article will provide that the Company may not exercise any right in respect of treasury shares other than as provided by the Companies Act but that subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act.

3.3.9 **Article 16**

Article 16 provides that the Company may exercise the powers of paying commissions conferred by the Companies Act. Section 67 of the Companies Act relating to the power to pay commissions was repealed pursuant to the Companies (Amendment) Act. However, since the Company may nevertheless retain the power to pay commissions under the Articles, Article 16 is proposed to be altered to provide that the Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit.

3.3.10 **Article 19**

A minor amendment is proposed to Article 19 to substitute the words “these presents” with the words “these Articles”.

3.3.11 **Article 23**

Article 23 provides for the issue of certificates to shares or debentures in the capital of the Company and further provides that every certificate must specify the number and class of shares to which it relates and the amounts paid thereon. This Article is proposed to be altered to clarify that where the certificates relate to debentures, the certificates shall specify the debentures to which they relate and to further provide that the amount (if any) unpaid on the shares must also be specified in the share certificates, in order to be in line with Section 123 of the Companies Act, as amended pursuant to the Companies (Amendment) Act.

LETTER TO SHAREHOLDERS

3.3.12 **Article 30**

Article 30 provides for the circumstances under which the Directors may refuse to register any instrument of transfer.

Article 30 is proposed to be altered to provide that the Directors may refuse to register any instrument of transfer of shares unless (*inter alia*) the amount of stamp duty with which each instrument of transfer is chargeable has been paid, and that any instrument of transfer deposited for registration purposes has to be accompanied by a certificate of payment of stamp duty (if any).

Article 30 also permits the Directors to decline to accept any instrument of transfer unless a declaration made by the transferee is attached to such instrument stating (*inter alia*) the extent of the transferee's interest in the issued ordinary share capital of the Company as at the date of the declaration. Article 30 is also proposed to be altered to substitute the words "issued ordinary share capital" with "issued ordinary shares" in view of the abolition of the concept of par value pursuant to the Companies (Amendment) Act.

3.3.13 **Articles 42, 45 and 47**

Article 42 provides (*inter alia*) that Directors may from time to time make calls on members in respect of moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium). Article 42 is proposed to be altered to delete the words in parenthesis referred to above.

Article 45 provides (*inter alia*) that any sum (whether on account of the nominal value of the share or by way of premium) which becomes payable upon allotment or at any fixed date shall, for the purposes of the Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable. Article 45 is proposed to be altered to delete the words in parenthesis referred to above.

Article 47 provides that Directors may from time to time accept payment in advance from members in respect of moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium). Article 47 is proposed to be altered to delete the words in parenthesis referred to above.

The alterations to Articles 42, 45 and 47 are proposed to be made following the abolition of the concepts of nominal value and share premium pursuant to the Companies (Amendment) Act.

3.3.14 **Article 57**

Article 57 provides that the Company in general meeting by ordinary resolution increase its capital by the creation of new shares of such amount as may be deemed expedient, provided always that at least 1% of the new shares so created shall be Management Shares. Article 57 is proposed to be deleted following the abolition of the concept of authorised capital under the Companies (Amendment) Act. The requirement in the Newspaper Act that 1% of every new issue of shares shall consist of Management Shares is already provided for in existing Article 6(2).

LETTER TO SHAREHOLDERS

3.3.15 **Article 59(1)**

Article 59(1) provides for all new Ordinary Shares to be offered to existing members in proportion (as nearly as possible) to the amount of the existing Ordinary Shares to which they are entitled. This Article is proposed to be altered to replace the reference to “amount” of existing Ordinary Shares with a reference to “number” of existing Ordinary Shares following the abolition of the concept of par value pursuant to the Companies (Amendment) Act.

3.3.16 **Article 59(2)**

Article 59(2) relates to the general share issue mandate. It provides that the Company may by ordinary resolution give the Directors a general authority to issue shares and to make or grant offers, agreements or options that might or would require shares to be issued, including the creation and issue of warrants, debentures or other instruments convertible into shares, and (notwithstanding that such authority may have ceased to be in force) to issue shares in pursuance of an instrument made or granted while the authority was in force.

Article 59(2) further provides that the aggregate number of shares that may be issued pursuant to the ordinary resolution cannot exceed 50% of the issued share capital of the Company, of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders does not exceed 20% of the issued share capital of the Company. Article 59(2) also sets out the manner of calculating these specific limits.

The specific limits and manner of calculation are set out in Rule 806 of the Listing Manual. Article 59(2) is proposed to be altered to delete the reference to these specific limits and manner of calculation, and to instead provide that the aggregate number of shares which may be issued pursuant to the general share issue mandate is to be subject to such limits and manner of calculation as may be prescribed by the SGX-ST from time to time.

The proposed alteration to Article 59(2) will obviate the necessity for the Company to alter its Articles as and when the relevant provisions of the Listing Manual relating to the general share issue mandate are altered by the SGX-ST. Any ordinary resolution passed pursuant to Article 59(2), as proposed to be altered, will continue to be subject to the specific limits and manner of calculation prescribed by the Listing Manual from time to time.

3.3.17 **Article 61**

Article 61 provides (*inter alia*) that the Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) cancel any shares which have not been taken by any person and diminish the amount of its capital by the amount of the shares so cancelled; and
- (c) subdivide its shares into shares of smaller amount.

The provisions referred to in sub-paragraphs (a) and (c) above are proposed to be altered to delete the references to the “amount” of shares following the abolition of the concept of par value pursuant to the Companies (Amendment) Act. The provision

LETTER TO SHAREHOLDERS

referred to in sub-paragraph (b) above is proposed to be deleted altogether following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

3.3.18 **Article 62**

Article 62 provides (*inter alia*) that the Company may reduce its share capital, any capital redemption reserve fund or any share premium account as authorised by law.

Article 62 is proposed to be altered to delete the references to the capital redemption reserve fund and the share premium account since under the Companies (Amendment) Act, any amounts standing to the credit of the Company's capital redemption reserve and share premium account became part of its share capital on 30 January 2006. This Article is further proposed to be amended to provide that upon cancellation of any share purchased or otherwise acquired by the Company, the number of issued shares in the Company will be diminished by the number of issued shares so purchased or acquired.

3.3.19 **Article 63**

Article 63 empowers the Company by ordinary resolution to convert paid-up shares into stocks and re-convert stock into paid-up shares of any denomination. The words "of any denomination" are proposed to be deleted following the abolition of the concept of par or nominal value of shares pursuant to the Companies (Amendment) Act.

3.3.20 **Articles 64 and 65**

Article 64 refers to rights of holders of stock to transfer such stock and provides that the Directors may fix the minimum number of stock units which may be transferable, provided that such units shall not be greater than the nominal amount of the shares from which the stock arose. A drafting change is proposed to Article 64, to remove this proviso following the abolition of the concept of par or nominal value of shares pursuant to the Companies (Amendment) Act.

Article 65 provides that holders of stock shall, according to the amount of stock held by them, have the same rights and privileges as if they held the shares from which the stock arose. A drafting change is proposed to Article 65, to replace the references to "amount of stock" with references to "number of stock units".

3.3.21 **Article 66**

Article 66 provides (*inter alia*) that all provisions of the Articles applicable to paid-up shares shall apply to stock and the word "share" shall include "stock". Article 66 is proposed to be amended to include references to "stock units".

3.3.22 **Article 73**

Article 73 provides (*inter alia*) that the quorum at any general meeting shall be two members present in person and that for the purposes of that Article, "member" includes a person attending by proxy or by attorney or as representing a corporation which is a member. Drafting changes are proposed to Article 73, in addition to changes to make it clear that (a) a proxy representing more than one member shall only count as one

LETTER TO SHAREHOLDERS

member for the purpose of determining the quorum; and (b) where a member is represented by more than one proxy, such proxies shall count as only one member for the purpose of determining the quorum.

3.3.23 **Article 77**

Article 77 provides (*inter alia*) that the Chairman may, with the consent of or if directed by shareholders, adjourn a general meeting from time to time and from place to place. Article 77 is proposed to be amended to enable the Chairman to adjourn a general meeting *sine die* (that is, indefinitely).

3.3.24 **Article 78(2)**

Article 78(2) provides that at any general meeting, a resolution put to the vote shall be decided by a show of hands unless a poll is demanded by (*inter alia*):

- (a) the Chairman (being a person entitled to vote thereat); or
- (b) a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The provision in sub-paragraph (a) above is proposed to be altered to make it clear that the Chairman may demand a poll by deleting the words “being a person entitled to vote thereat”.

The provision in sub-paragraph (b) above is proposed to be altered to provide that a poll can be demanded by a member present in person or by proxy and holding not less than 10% of the total number of paid-up shares of the Company (excluding treasury shares), following the abolition of the concept of par value and the introduction of provisions on treasury shares pursuant to the Companies (Amendment) Act.

3.3.25 **Article 84(1)**

Article 84(1) provides that subject and without prejudice to the Articles and to any special privileges or restrictions as to voting attached to any special class of shares, each member entitled to vote at a General Meeting may vote in person or by proxy. This Article is proposed to be altered to make it subject also to new Article 13A, which will provide that the Company shall not exercise any right (including the right to attend and vote at General Meetings) in respect of treasury shares other than as provided by the Companies Act.

Article 84(1) is also proposed to be altered to make it clear that where a member is represented by two proxies or, in the case of a member holding Management Shares, where such member is represented by two or more proxies, only one of the two proxies or, in the case of a member holding Management Shares, only one of the two or more proxies, in each case as determined by the member or, failing such determination, by the Chairman of the meeting or a person authorised by him, may vote on a show of hands.

LETTER TO SHAREHOLDERS

3.3.26 **Article 97(1)**

Article 97(1) provides (*inter alia*) that the number of Directors shall not be less than two nor, unless otherwise determined by a general meeting, more than 12. Article 97(1) is proposed to be altered to remove the limit on the maximum number of Directors as this is not required by law.

3.3.27 **Article 102(4)**

Article 102 provides (*inter alia*) for the payment of any pension or allowance to any Executive Director on or at any time after his retirement from his office or employment with the Company or any related corporation or on or after his death, to his widow or other dependants, subject to the Companies Act. An Executive Director is defined in Article 102(4) to mean and include any Director, including a Managing Director, who has been or is engaged substantially whole-time in the business of the Company or of any related corporation or partly in one and partly in another.

Article 102(4) is proposed to be altered to substitute the reference to “Managing Director” with “Chief Executive Officer (or person holding an equivalent position)” in line with the provisions of Articles 105 to 108 relating to the Chief Executive Officer of the Company.

3.3.28 **Article 103**

Article 103 provides (*inter alia*) that no Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company and further provides that every Director shall observe the provisions of the Companies Act relating to the disclosure of his interests in contracts or proposed contracts with the Company.

Article 103 is proposed to be altered to include the Director’s interests in any transaction or proposed transaction with the Company to be in line with Section 156 of the Companies Act.

3.3.29 **Article 109**

Article 109 provides for the events under which the office of a Director shall be vacated. One of such events provided for in Article 109(vi) is when a Director is absent from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated. This provision is in contradiction of Section 152(8) of the Companies Act which provides that a director of a public company shall not be removed or be required to vacate his office by reason of any resolution, request or notice of the directors notwithstanding anything in the articles or any agreements. Accordingly, Article 109(vi) is proposed to be amended by providing that the office of a Director shall be vacated if he is absent from meetings of the Directors for a continuous period of six months without leave from the Directors. No resolution of the Directors resolving that his office be vacated in such an event will be necessary.

LETTER TO SHAREHOLDERS

3.3.30 **Article 111**

Article 111 provides that, subject to the Articles and to the Companies Act, at each Annual General Meeting one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to one-third with a minimum of one, shall retire from office. Article 111 is proposed to be altered to provide that one-third of the Directors (or if their number is not a multiple of three, the number nearest to, but not less than one-third) shall retire from office by rotation.

3.3.31 **Article 122**

Article 122 provides for the procedures for the passing of resolutions in writing of Directors. Article 122 is proposed to be altered to (a) further clarify the approval by Directors of such resolutions by electronic communication and (b) remove references to approval by way of telex, cable or telegram as these are outmoded forms of communication.

3.3.32 **Article 126**

Article 126 relates to the general power of the Directors to manage the Company's business. Drafting changes are proposed to align Article 126 with Section 157A(2) of the Companies Act (which is a provision incorporated into the Companies Act in May 2003), which provides that the directors may exercise all the powers of a company except any power that the Companies Act or the memorandum and articles of the company require the company to exercise in general meeting.

3.3.33 **Article 138**

Article 138 provides for the payment of dividends in proportion to the amount paid in respect of the shares. Article 138 on the apportionment of dividends is proposed to be altered, following the abolition of the concept of par value pursuant to the Companies (Amendment) Act, to provide that all dividends are to be paid in proportion to the number of shares held (instead of according to the amounts paid on the shares).

Article 138 (as proposed to be altered) will also provide that where shares are partly paid, all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid in respect of the period in which the dividend is paid.

3.3.34 **Article 140**

Article 140 provides that if the Company shall issue shares at a premium, whether for cash or otherwise, the Directors shall transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividend.

Article 140 is proposed to be deleted following the abolition of the concepts of par value and share premium under the Companies (Amendment) Act. In addition, under the Companies (Amendment) Act, all amounts standing to the credit of a company's share premium account (if any) as at 30 January 2006 became part of the company's share capital.

LETTER TO SHAREHOLDERS

3.3.35 **Article 145**

Article 145 provides that the payment by the Directors of any unclaimed dividends or other moneys payable in respect of the shares into a separate account shall not constitute the Company a trustee in respect thereof. It further provides (*inter alia*) that any dividends unclaimed after a period of six years from the date of declaration of such dividend may be forfeited by the Company. Article 145 is proposed to be amended to (*inter alia*) clarify the rights of the Company in relation to other unclaimed moneys and the rights of the Company should CDP return any dividends or unclaimed moneys to the Company.

3.3.36 **Article 152**

Article 152 relates to the Company's powers to capitalise reserves or profits towards the payment of the par value of shares to be issued by way of bonus shares, credited as fully paid, to its members.

In view of the abolition of the concept of par value, Article 152 is proposed to be amended to permit the Company to issue bonus shares for which no consideration is payable, in addition to being able to issue bonus shares by way of the capitalisation of any amount standing to the credit of the Company's reserves accounts or to the credit of the profit and loss account.

Article 152 is further proposed to be altered to enable the Company to issue New Ordinary Shares to Participants pursuant to the SPH Performance Share Plan by way of bonus shares.

3.3.37 **Article 158**

Article 158 provides that the Directors shall cause to be laid before the Company in general meeting, the profit and loss accounts, balance sheets, group accounts (if any) and such reports as may be necessary and that the interval between the close of financial year and the issue of accounts relating thereto shall not exceed five months. The Companies Act has been changed to provide for such period not to exceed four months.

Article 158 is proposed to be amended to provide that such period shall not exceed four months (or such other period as may be specified by the Companies Act) and that the interval is between the close of the financial year and the date of the Company's annual general meeting at which such accounts and reports are to be laid.

3.3.38 **New Article 164A and Article 167**

Article 164 deals with the service of notices and documents on members and other persons entitled to receive notices or documents from the Company. The Companies Act was amended effective 1 April 2004 to provide for documents required under the Companies Act or the memorandum and articles of association of a company to be given, sent or served on members, auditors and officers of a company, to be so given, sent or served using electronic communications. It is proposed that new Article 164A be included to provide for service of notices and documents to be effected by electronic communications in accordance with Sections 387A and 387B of the Companies Act or any applicable regulations or procedures.

Consequential alterations are proposed to Article 167.

LETTER TO SHAREHOLDERS

- 3.4 **The Appendix.** The text of the Articles which are proposed to be altered are set out in the Appendix to this Circular. The proposed alterations to the Articles are subject to Shareholders' approval.

4. THE 1999 SHARE OPTION SCHEME

- 4.1 **The 1999 Share Option Scheme.** The Company has an existing share option scheme, the 1999 Share Option Scheme, which was adopted at an extraordinary general meeting of the Company held on 16 July 1999 in replacement of the then existing Singapore Press Holdings Group Executives' Share Option Scheme which was expiring at the end of 1999. The Rules of the 1999 Share Option Scheme were set out in Appendix III of the circular to Shareholders dated 22 June 1999.

- 4.2 **Termination of 1999 Share Option Scheme.** The Remuneration Committee of the Company, which is the committee appointed to administer the 1999 Share Option Scheme, intends to terminate the 1999 Share Option Scheme with regards to the grant of further Options, following the adoption of the SPH Performance Share Plan by Shareholders at the EGM. However, Options granted and outstanding prior to such termination will continue to be valid and be subject to the terms and conditions of the 1999 Share Option Scheme. The rationale for substituting the 1999 Share Option Scheme with the SPH Performance Share Plan is set out in paragraph 5.3 below.

- 4.3 **Maximum Limit for New Ordinary Shares.** The 1999 Share Option Scheme provides for the issue of New Ordinary Shares of up to a maximum of 12% of the Company's total issued Ordinary Shares from time to time, which is lower than the 15% limit allowed under the guidelines on share option schemes set out in the Listing Manual.

The Company is seeking approval for the SPH Performance Share Plan under which the limit for the maximum number of New Ordinary Shares which may be issued pursuant to the SPH Performance Share Plan, together with the 1999 Share Option Scheme, is 10% of the Company's total issued Ordinary Shares from time to time (see paragraph 5.5 below), which is a 2% reduction from the 12% limit referred to in the above paragraph. Accordingly, the Company will administer the 1999 Share Option Scheme and the SPH Performance Share Plan so that the maximum number of New Ordinary Shares issued pursuant to the exercise of Options under the 1999 Share Option Scheme and/or the vesting of Awards under the SPH Performance Share Plan shall not exceed 10% of the Company's total issued Ordinary Shares from time to time. This would mean that the reduced maximum 10% limit as described above will apply over a 17-year period from July 1999 to December 2016 in respect of New Ordinary Shares which may be issued pursuant to both the 1999 Share Option Scheme and the SPH Performance Share Plan.

- 4.4 **Existing Options.** As at the Latest Practicable Date:

- (a) the Company has issued 22,357,975 New Ordinary Shares pursuant to the exercise of Options granted pursuant to the 1999 Share Option Scheme, representing 1.42% of the Company's issued Ordinary Shares; and
- (b) there were outstanding and unexercised Options granted under the 1999 Share Option Scheme to acquire an aggregate of 70,115,875 Ordinary Shares, representing approximately 4.44% of the Company's issued Ordinary Shares.

LETTER TO SHAREHOLDERS

Accordingly, as at the Latest Practicable Date, the Company has used approximately 5.86% out of the reduced maximum 10% limit described in paragraph 4.3 above.

Details of the outstanding Options as at the Latest Practicable Date are as follows:

Date of Grant	Expiry Date	Exercise Price (S\$)	No. of Ordinary Shares comprised in outstanding Options
27.10.1999	27.10.2009	5.60	8,930,100
30.10.2000	30.10.2010	4.78	9,748,225
06.11.2001	06.11.2011	3.03	1,588,025
28.10.2002	28.10.2012	3.91	5,921,800
16.12.2003	16.12.2013	3.69	11,205,300
01.02.2004	01.02.2014	3.83	85,000
21.12.2004	21.12.2014	4.54	15,677,375
16.12.2005	16.12.2015	4.30	16,960,050
			<hr/> <hr/> 70,115,875 <hr/> <hr/>

5. THE PROPOSED ADOPTION OF THE SPH PERFORMANCE SHARE PLAN

5.1 **Definitions.** For the purposes of this paragraph 5 and in relation to the SPH Performance Share Plan, the following expressions shall have the following meanings:–

“**Associate**” means any Associated Company Employee, or any person principally engaged by any member of the Group to perform services for the Group of a nature similar to the work undertaken by any Group Employee, selected by the Committee to participate in the SPH Performance Share Plan;

“**Associated Company**” means a company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over whose management the Company has control (as defined in the Listing Manual);

“**Associated Company Employee**” means any employee of an Associated Company (including any Associated Company Executive Director) selected by the Committee to participate in the SPH Performance Share Plan in accordance with the provisions thereof;

“**Associated Company Executive Director**” means a director of an Associated Company who performs an executive function;

“**Group Employee**” means any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the SPH Performance Share Plan in accordance with the provisions thereof;

“**Group Executive Director**” means a director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function; and

“**Participant**” means a Group Employee or an Associate, as the case may be, who has been granted an Award.

LETTER TO SHAREHOLDERS

- 5.2 **The SPH Performance Share Plan.** The Directors are proposing to implement a new share plan, the SPH Performance Share Plan. Further details on the SPH Performance Share Plan are set out in paragraph 5.6 below.
- 5.3 **Rationale for the SPH Performance Share Plan.** The SPH Performance Share Plan is based on the principle of pay-for-performance and is designed to enable the Company to reward, retain and motivate employees to achieve superior performance. The SPH Performance Share Plan will provide incentives to Participants to excel in their performance and encourage greater dedication and loyalty to the Company. Through the SPH Performance Share Plan, the Company will be able to recognise and reward past contributions and services and motivate Participants to continue to strive for the Group's long-term prosperity. In addition, the SPH Performance Share Plan aims to foster an ownership culture within the Group which aligns the interests of Group Employees with the interests of Shareholders.
- 5.4 **Operation of the SPH Performance Share Plan.** Although Awards granted under the SPH Performance Share Plan may be performance-based or time-based, Awards granted under the SPH Performance Share Plan will be principally performance-based, incorporating an element of stretched targets for executive staff and significantly stretched targets for key senior management aimed at delivering long term shareholder value. While the Committee will have the discretion to grant time-based Awards, for example, to attract potential senior executive hires who may have to forego share options/share incentives when they join the Group, the use of time-based Awards will only be made on a case-by-case basis where business needs justify such Awards.

The SPH Performance Share Plan aims to benefit Shareholders, by setting pre-determined targets for senior executives and senior management which are designed to create and enhance economic value for Shareholders and incentivising and motivating such staff members to achieve those targets. The SPH Performance Share Plan aims to more directly align the interests of key senior management and senior executives with the interests of Shareholders, to improve performance and achieve sustainable growth for the Company in the changing business environment, and to foster a greater ownership culture amongst key senior management and senior executives.

The SPH Performance Share Plan uses methods fairly common among major local and multinational companies to incentivise and motivate employees to achieve pre-determined targets which create and enhance economic value for Shareholders. The Company believes that the SPH Performance Share Plan will be an effective tool in motivating employees to work towards stretched goals.

The SPH Performance Share Plan contemplates the award of fully paid Ordinary Shares, when and after pre-determined performance or service conditions are accomplished.

A Participant's Awards under the SPH Performance Share Plan will be determined at the sole discretion of the Committee. In considering an Award to be granted to a Participant, the Committee may take into account, *inter alia*, the Participant's capability, creativity, entrepreneurship, innovativeness, scope of responsibility and skills set.

Awards granted under the SPH Performance Share Plan are principally performance-based with performance targets to be set over a multi-year performance period. Performance targets set are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long term growth.

LETTER TO SHAREHOLDERS

Under the SPH Performance Share Plan, Participants are encouraged to continue serving the Group beyond the achievement date of the pre-determined performance targets. The Committee has the discretion to impose a further vesting period after the performance period to encourage the Participant to continue serving the Group for a further period of time.

5.5 **Maximum Limit on New Ordinary Shares.** The Company will have the flexibility to deliver existing Ordinary Shares (including treasury shares) and New Ordinary Shares to holders of Options granted under the 1999 Share Option Scheme and Awards under the SPH Performance Share Plan. If New Ordinary Shares are to be delivered, the total number of New Ordinary Shares to be issued under the 1999 Share Option Scheme and the SPH Performance Share Plan will be subject to a maximum limit of 10% of the Company's total issued Ordinary Shares from time to time.

5.6 **Summary of Rules of the SPH Performance Share Plan.** The following is a summary of the principal rules of the SPH Performance Share Plan.

5.6.1 ***Eligibility***

The following persons (unless they are also controlling shareholders (as defined in the Listing Manual) of the Company or associates (as defined in the Listing Manual) of such controlling shareholders) will be eligible to participate in the SPH Performance Share Plan:

- (a) Group Employees who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who have, as of the Award Date, been in the employment of the Group for a period of at least 12 months or such shorter period as the Committee may determine (unless such period of employment is waived by the Committee at its sole discretion); and
- (b) Associates who have attained the age of 21 years selected by the Committee to participate in the SPH Performance Share Plan in recognition of their services to the Group.

5.6.2 ***Awards***

Awards represent the right of a Participant to receive fully paid Ordinary Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance targets (if any) are met and/or upon expiry of the prescribed vesting periods (where applicable).

An Award or released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Ordinary Shares to which the released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee.

LETTER TO SHAREHOLDERS

5.6.3 **Participants**

The selection of a Participant and the number of Ordinary Shares which are the subject of each Award to be granted to a Participant in accordance with the SPH Performance Share Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and, if applicable, the difficulty with which the performance condition may be achieved within the performance period.

5.6.4 **Details of Awards**

The Committee shall decide, in relation to each Award to be granted to a Participant:

- (a) the Award Date;
- (b) the number of Ordinary Shares which are the subject of the Award;
- (c) the performance target(s) (if any), the performance period during which such performance target(s) are to be satisfied, if any, and the extent to which Ordinary Shares which are the subject of that Award shall be released on the prescribed performance target(s) (if any) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period;
- (d) the vesting periods (if any);
- (e) the release schedule (if any) setting out the extent to which Ordinary Shares, which are the subject of that Award, shall be released at the end of each prescribed vesting period; and
- (f) any other condition which the Committee may determine in relation to that Award.

5.6.5 **Timing**

While the Committee has the discretion to grant Awards at any time in the year, it is currently anticipated that Awards would in general be made once a year. An Award letter confirming the Award and specifying (*inter alia*) the number of Ordinary Shares which are the subject of the Award, the prescribed performance target(s) (if any), the performance period during which the prescribed performance target(s) are to be attained or fulfilled and the extent to which the Ordinary Shares will be released on satisfaction of the prescribed performance target(s), the vesting period(s) (if any) and the release schedule (if any) will be sent to each Participant as soon as is reasonably practicable after the making of an Award.

5.6.6 **Events Prior to Vesting**

Special provisions for the vesting and lapsing of Awards apply in certain circumstances including the following:

- (a) the Participant (being a Group Employee or an Associated Company Employee) ceasing to be in the employment of the relevant member of the Group or (as the case may be) the relevant Associated Company for any reason whatsoever (other than as specified in paragraph (e) below);
- (b) the misconduct on the part of a Participant as determined by the Committee in its discretion;

LETTER TO SHAREHOLDERS

- (c) an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
- (d) the bankruptcy of a Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of the Award;
- (e) the Participant (being a Group Employee or an Associated Company Employee) ceasing to be in the employment of the relevant member of the Group or (as the case may be) the relevant Associated Company by reason of:
 - (i) retirement; ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee) or death; redundancy; or any other reason approved in writing by the Committee;
 - (ii) the company by which he is employed ceasing to be a company within the Group or an Associated Company (as the case may be) or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company (as the case may be); or
 - (iii) (where applicable) his transfer of employment between members of the Group or from the Group to an Associated Company or *vice versa* or from an Associated Company to another Associated Company; or
 - (iv) any other event approved by the Committee;
- (f) the Participant (being an Associate other than an Associated Company Employee) ceasing to be an Associate for any reason whatsoever;
- (g) any other event approved by the Committee; or
- (h) a take-over, reconstruction or amalgamation of the Company or an order being made or a resolution passed for the winding-up of the Company (other than as provided in paragraph (c) above or for reconstruction or amalgamation).

Upon the occurrence of any of the events specified in paragraphs (a), (b) and (c) above, an Award then held by a Participant shall, as provided in the rules of the SPH Performance Share Plan and to the extent not yet released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (d), (e), (f) and (g) above, the Committee may, in its absolute discretion determine whether an Award then held by such Participant, to the extent not yet released, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Company. If the Committee determines that all or any part of an Award shall be preserved, the Committee shall decide as soon as reasonably practicable following such event either to vest some or all of the Ordinary Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period (if any) and/or each vesting period (if any) and subject to the provisions of the SPH Performance Share Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and, in the case of a performance-related Award, the extent to which the applicable performance condition and targets have been satisfied.

LETTER TO SHAREHOLDERS

Upon the occurrence of the event specified in paragraph (h) above, the Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to release any Award, then in determining the number of Ordinary Shares to be vested in respect of such Award, the Committee will (if applicable) have regard to the proportion of the vesting period(s) which has elapsed and (if applicable) the extent to which the applicable performance conditions and targets have been satisfied.

5.6.7 ***Size and Duration of the SPH Performance Share Plan***

The total number of New Ordinary Shares which may be issued pursuant to Awards granted under the SPH Performance Share Plan, when added to the number of New Ordinary Shares issued and issuable in respect of (a) all Awards granted thereunder and (b) all Options granted under the 1999 Share Option Scheme, shall not exceed 10% of the issued Ordinary Shares of the Company on the day preceding the relevant date of award.

The Company may also deliver Ordinary Shares pursuant to Awards granted under the SPH Performance Share Plan in the form of existing Ordinary Shares purchased from the market or from Ordinary Shares held in treasury. Such methods will not be subject to any limit as they do not involve the issuance of any New Ordinary Shares.

The SPH Performance Share Plan shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the SPH Performance Share Plan is adopted by the Company in general meeting, provided always that the SPH Performance Share Plan may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the SPH Performance Share Plan, any Awards made to Participants prior to such expiry or termination will continue to remain valid.

5.6.8 ***Operation of the SPH Performance Share Plan***

Subject to the prevailing legislation and the rules of the Listing Manual, the Company will have the flexibility to deliver Ordinary Shares to Participants upon vesting of their Awards by way of:

- (a) an issue of New Ordinary Shares; and/or
- (b) the delivery of existing Ordinary Shares.

In determining whether to issue New Ordinary Shares or to deliver existing Ordinary Shares to Participants upon vesting of their Awards, the Company will take into account factors such as (but not limited to) the number of Ordinary Shares to be delivered, the prevailing market price of the Ordinary Shares and the cost to the Company of either issuing New Ordinary Shares or delivering existing Ordinary Shares.

LETTER TO SHAREHOLDERS

The financial effects of the above methods are discussed in paragraph 5.10 below. The Company has the flexibility, and if circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Ordinary Shares.

New Ordinary Shares allotted and issued, and existing Ordinary Shares procured by the Company for delivery, on the release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Ordinary Shares, the record date for which is on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Ordinary Shares then in issue.

The Committee shall have full discretion to determine whether any performance condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make reference to the audited results of the Company or the Group or an Associated Company (as the case may be) to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the performance target(s) if the Committee decides that a changed performance target would be a fairer measure of performance.

5.7 Adjustments and Alterations under the SPH Performance Share Plan. The following describes the adjustment events under, and provisions relating to alterations of, the SPH Performance Share Plan.

5.7.1 Adjustment Events

If a variation in the ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation or distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Committee may, in its sole discretion, determine whether:

- (a) the class and/or number of Ordinary Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Ordinary Shares in respect of which future Awards may be granted under the SPH Performance Share Plan,

shall be adjusted and if so, the manner in which such adjustments should be made.

The issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Ordinary Shares purchased or acquired by the Company by way of a market purchase of such Ordinary Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless the Committee considers an adjustment to be appropriate.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

LETTER TO SHAREHOLDERS

5.7.2 ***Modifications or Alterations to the SPH Performance Share Plan***

The SPH Performance Share Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee subject to the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to any Award granted prior to such modification or alteration except with the written consent of such number of Participants under the SPH Performance Share Plan who, if their Awards were released to them on the applicable vesting dates relating to their Awards, would thereby become entitled to not less than three-quarters in number of all the Ordinary Shares which would fall to be vested upon release of all outstanding Awards on the relevant vesting dates applicable to all such outstanding Awards under the SPH Performance Share Plan.

No alteration shall be made to particular rules of the SPH Performance Share Plan to the advantage of Participants, except with the prior approval of Shareholders in general meeting.

5.8 **Disclosures in Annual Reports.** The Company will make such disclosures in its annual report for so long as the SPH Performance Share Plan continues in operation as from time to time required by the Listing Manual including the following (where applicable):

- (a) the names of the members of the Committee administering the SPH Performance Share Plan;
- (b) in respect of the following Participants of the SPH Performance Share Plan:
 - (i) Directors of the Company; and
 - (ii) Participants (other than those in paragraph (i) above) who have been granted Options under the 1999 Share Option Scheme and/or who have received Ordinary Shares pursuant to the release of Awards granted under the SPH Performance Share Plan which, in aggregate, represent 5% or more of the aggregate of:
 - (1) the total number of New Ordinary Shares available under the 1999 Share Option Scheme and the SPH Performance Share Plan collectively; and
 - (2) the total number of existing Ordinary Shares delivered pursuant to Awards released under the SPH Performance Share Plan and options exercised under the 1999 Share Option Scheme,

the following information:

- (aa) the name of the Participant;
- (bb) the following particulars relating to Options granted under the 1999 Share Option Scheme:
 - (i) Options granted during the financial year under review (including terms);
 - (ii) the aggregate number of Ordinary Shares comprised in Options granted since the commencement of the 1999 Share Option Scheme to the end of the financial year under review;
 - (iii) the aggregate number of Ordinary Shares arising from Options exercised since the commencement of the 1999 Share Option Scheme to the end of the financial year under review;

LETTER TO SHAREHOLDERS

- (iv) the aggregate number of Ordinary Shares comprised in Options outstanding as at the end of the financial year under review;
 - (v) the number of New Ordinary Shares issued to such Participant during the financial year under review; and
 - (vi) the number of existing Ordinary Shares transferred to such Participant during the financial year under review; and
- (cc) the following particulars relating to Ordinary Shares delivered pursuant to Awards released under the SPH Performance Share Plan:
- (i) the number of New Ordinary Shares issued to such Participant during the financial year under review; and
 - (ii) the number of existing Ordinary Shares transferred to such Participant during the financial year under review; and
- (c) in relation to the SPH Performance Share Plan, the following particulars:
- (i) the aggregate number of Ordinary Shares comprised in Awards granted since the commencement of the SPH Performance Share Plan to the end of the financial year under review;
 - (ii) the aggregate number of Ordinary Shares comprised in Awards which have been released during the financial year under review and in respect thereof, the proportion of:
 - (1) New Ordinary Shares issued; and
 - (2) existing Ordinary Shares transferred and, where existing Ordinary Shares were purchased for delivery, the range of prices at which such Ordinary Shares have been purchased,upon the release of Awards granted under the SPH Performance Share Plan; and
 - (iii) the aggregate number of Ordinary Shares comprised in Awards which have not been released as at the end of the financial year under review.

5.9 **Role and Composition of the Committee.** The Remuneration Committee, whose function is to assist the Board of Directors in reviewing remuneration and human resource matters in the Company as set out in their Terms of Reference, will be designated as the Committee responsible for the administration of the SPH Performance Share Plan, and will comprise Directors to administer the SPH Performance Share Plan.

In compliance with the requirements of the Listing Manual, a Participant of the SPH Performance Share Plan who is a member of the Remuneration Committee shall not be involved in its deliberations in respect of Awards to be granted to or held by that member of the Remuneration Committee.

5.10 **Financial Effects of the SPH Performance Share Plan.** Financial Reporting Standard 102, Share-based payment (“**FRS 102**”) is effective for the financial statements of the Company for the financial year beginning 1 September 2005. Participants may receive Ordinary Shares or their equivalent cash value, or combinations thereof. In the event that the Participants receive Ordinary Shares, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

LETTER TO SHAREHOLDERS

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the income statement over the vesting period of an Award. The total amount of the charge over the vesting period is determined by reference to the fair value of each Award granted at the grant date and where there are non-market conditions attached (see the following paragraph), the number of Ordinary Shares vested at the vesting date, with a corresponding credit to reserve account. Before the end of the vesting period, at each accounting year end, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made. This accounting treatment has been referred to as the “modified grant date method”, because the number of Ordinary Shares included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Ordinary Shares that eventually vest but no adjustment is made to changes in the fair value of the Ordinary Shares since the grant date.

The amount charged to the income statement would be the same whether the Company settles the Awards using New Ordinary Shares or existing Ordinary Shares. The amount of the charge to the income statement also depends on whether or not the performance target attached to an Award is measured by reference to the market price of the Ordinary Shares. This is known as a market condition.

If the performance target is a market condition, the probability of the performance target being met is taken into account in estimating the fair value of the Ordinary Shares granted at the grant date, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met. However, if the performance target is not a market condition, the fair value per share of the Ordinary Shares granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. The amount charged to the income statement for time-based Awards is similarly determined, as this is a non-market condition. Thus, where the vesting conditions do not include a market condition, there would be no charge to the income statement if the Awards do not ultimately vest.

In the event that the Participants receive cash, the Company shall measure the fair value of the liability at grant date. Until the liability is settled, the Company shall re-measure the fair value of the liability at each accounting date and at the date of settlement, with changes in the fair value recognised in the income statement.

The following sets out the financial effects of the SPH Performance Share Plan.

5.10.1 **Share capital**

The SPH Performance Share Plan will result in an increase in the Company’s issued Ordinary Shares only if New Ordinary Shares are issued to Participants. The number of New Ordinary Shares issued will depend on, *inter alia*, the size of the Awards granted under the SPH Performance Share Plan. In any case, the number of New Ordinary Shares to be issued under the SPH Performance Share Plan and the 1999 Share Option Scheme will be subject to the maximum limit of 10% of the Company’s total issued Ordinary Shares. If, instead of issuing New Ordinary Shares to Participants, existing Ordinary Shares are purchased for delivery to Participants, the SPH Performance Share Plan will have no impact on the Company’s issued Ordinary Shares.

LETTER TO SHAREHOLDERS

5.10.2 **NTA**

As described in paragraph 5.10.3 below on EPS, the SPH Performance Share Plan is likely to result in a charge to the Company's income statement over the period from the grant date to the vesting date of the Awards. The amount of the charge will be computed in accordance with the modified grant date method under FRS 102. If New Ordinary Shares are issued under the SPH Performance Share Plan, there would be no effect on the NTA. However, if instead of issuing New Ordinary Shares to Participants, existing Ordinary Shares are purchased for delivery to Participants or the Company pays the equivalent cash value, the NTA would be impacted by the cost of the Ordinary Shares purchased or the cash payment, respectively.

It should be noted that the delivery of Ordinary Shares to Participants under the SPH Performance Share Plan will generally be contingent upon the Participants meeting the prescribed performance targets and conditions.

5.10.3 **EPS**

The SPH Performance Share Plan is likely to result in a charge to earnings over the period from the grant date to the vesting date, computed in accordance with the modified grant date method under FRS 102.

It should again be noted that the delivery of Ordinary Shares to Participants under the SPH Performance Share Plan will generally be contingent upon the Participants meeting the prescribed performance targets and conditions.

5.10.4 **Dilutive Impact**

It is expected that the dilutive impact of the SPH Performance Share Plan on the NTA per Ordinary Share and EPS will not be significant.

The 1999 Share Option Scheme currently provides for the issue of New Ordinary Shares pursuant to the exercise of Options of up to a maximum of 10% of the Company's total issued share capital from time to time. Accordingly, there will be no significant dilution of Shareholders' shareholding percentages as a result of the introduction of the SPH Performance Share Plan as the SPH Performance Share Plan provides that the aggregate number of New Ordinary Shares to be issued under the said Plan and the 1999 Share Option Scheme will be subject to the same limit of 10% of the Company's total issued Ordinary Shares.

As at the Latest Practicable Date:

- (a) the Company has issued 22,357,975 New Ordinary Shares pursuant to the exercise of Options granted pursuant to the 1999 Share Option Scheme, representing 1.42% of the Company's issued Ordinary Shares; and
- (b) there were outstanding and unexercised Options granted under the 1999 Share Option Scheme to acquire an aggregate of 70,115,875 Ordinary Shares, representing approximately 4.44% of the Company's issued Ordinary Shares.

Accordingly, as at the Latest Practicable Date, the Company has used approximately 5.86% out of the maximum 10% limit described above.

LETTER TO SHAREHOLDERS

6. DIRECTORS' INTERESTS

6.1 Directors' Interests in Ordinary Shares. The interests of the Directors in Ordinary Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director (Interests in Ordinary Shares)	Direct Interest	%	Deemed Interest	%
Tony Tan Keng Yam	35,797	—	—	—
Cham Tao Soon	10,000	—	10,183	—
Chan Heng Loon Alan	39,500	—	—	—
Willie Cheng Jue Hiang	8,500	—	12,750	—
Cheong Choong Kong	34,000	—	8,500	—
Lee Ek Tieng	—	—	—	—
Ngiam Tong Dow	—	—	12,000	—
Philip N Pillai	17,000	—	—	—
Sum Soon Lim	—	—	—	—
Yeo Ning Hong	33,660	—	54,697	—

The interests of the Directors in outstanding Options to acquire Ordinary Shares as at the Latest Practicable Date are set out below:

	No. of Ordinary Shares comprised in outstanding Options
Chan Heng Loon Alan	1,912,500

6.2 Directors' Interests in Management Shares. The interests of the Directors in Management Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director (Interests in Management Shares)	Direct Interest	%	Deemed Interest	%
Tony Tan Keng Yam	4	—	—	—
Cham Tao Soon	4	—	—	—
Chan Heng Loon Alan	12	—	—	—
Willie Cheng Jue Hiang	4	—	—	—
Cheong Choong Kong	4	—	—	—
Lee Ek Tieng	4	—	—	—
Ngiam Tong Dow	4	—	—	—
Philip N Pillai	4	—	—	—
Sum Soon Lim	4	—	—	—
Yeo Ning Hong	4	—	—	—

LETTER TO SHAREHOLDERS

7. DIRECTORS' RECOMMENDATIONS

- 7.1 **Proposed Renewal of Share Buy Back Mandate.** The Directors are of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 1, being the Ordinary Resolution relating to the proposed renewal of the Share Buy Back Mandate to be proposed at the EGM.
- 7.2 **Proposed Alterations to Articles.** The Directors are of the opinion that the proposed alterations to the Articles are in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 2, being the Special Resolution relating to the proposed alterations to the Articles to be proposed at the EGM.
- 7.3 **Proposed Adoption of the SPH Performance Share Plan.** The Directors (other than Chan Heng Loon Alan who is eligible to participate, and is therefore interested, in the SPH Performance Share Plan) are of the opinion that the adoption of the SPH Performance Share Plan is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 3, being the Ordinary Resolution relating to the proposed adoption of the SPH Performance Share Plan.

Chan Heng Loon Alan shall also decline to accept appointment as proxy for any Shareholders to vote in respect of Resolution 3 unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which his votes are to be cast in respect of Resolution 3.

Save as disclosed above, none of the Directors has any interest, direct or indirect, in the proposed SPH Performance Share Plan.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 69 to 71 of this Circular, is being convened to be held at The Auditorium, News Centre, 1000 Toa Payoh North, 1st Storey Annexe Block, Singapore 318994, on 5 December 2006 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Twenty-Second Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the Ordinary and Special Resolutions set out in the Notice of the EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

- 9.1 **Appointment of Proxies.** If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he 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 reach the Share Registration Office, Tricor Barbinder Share Registration Services, a business division of Tricor Singapore Pte Ltd at 8 Cross Street, #11-00, PWC Building, Singapore 048424, not later than 11.00 a.m. on 3 December 2006. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes.

LETTER TO SHAREHOLDERS

- 9.2 **When Depositor regarded as Shareholder.** A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and vote thereat unless his name appears on the Depository Register at least 48 hours before the EGM.

10. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 1000 Toa Payoh North, News Centre, Singapore 318994 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the audited consolidated accounts of the Company for the financial year ended 31 August 2006;
- (b) the Memorandum and Articles of Association of the Company;
- (c) the 2005 Letter; and
- (d) the proposed Rules of the SPH Performance Share Plan.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate and that there are no material facts the omission of which would make any statement in this Circular misleading.

Yours faithfully
for and on behalf of the
Board of Directors of
Singapore Press Holdings Limited

Tony Tan Keng Yam
Chairman

THE APPENDIX

THE PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION

The alterations which are proposed to be made to the Articles are set out below. For ease of reference and where appropriate, the full text of the Articles proposed to be altered has also been reproduced and the principal alterations underlined.

1. EXISTING ARTICLE 2

2. *In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:–*

WORDS

MEANINGS

<i>“Approved Shareholder”</i>	<i>Any person or corporation who has received approval from the Minister, pursuant to Section 9 of the Newspaper Act, to subscribe for or purchase management shares.</i>
<i>“The Act”</i>	<i>The Companies Act, Chapter 50 or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.</i>
<i>“The Articles”</i>	<i>These Articles of Association or other regulations of the Company for the time being in force.</i>
<i>“The Company”</i>	<i>The abovenamed Company by whatever name from time to time called.</i>
<i>“Director”</i>	<i>includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.</i>
<i>“Directors”</i>	<i>The Directors for the time being of the Company or such number of them as have authority to act for the Company.</i>
<i>“Dividend”</i>	<i>includes bonus.</i>
<i>“Member”</i>	<i>A Member of the Company.</i>
<i>“Minister”</i>	<i>the Minister referred to in the Newspaper Act.</i>
<i>“Month”</i>	<i>Calendar Month.</i>
<i>“Newspaper Act”</i>	<i>the Newspaper and Printing Presses Act (Cap 206) and any amendments thereto or re-enactments thereof for the time being in force.</i>
<i>“Office”</i>	<i>The Registered Office of the Company for the time being.</i>

THE APPENDIX

<i>“Paid Up”</i>	<i>includes credited as paid up.</i>
<i>“Prescribed Limits”</i>	<i>Shareholding limits prescribed by the Newspaper Act from time to time.</i>
<i>“Seal”</i>	<i>The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.</i>
<i>“Secretary”</i>	<i>The Secretary or Secretaries appointed under these Articles and shall include any person entitled to perform the duties of Secretary temporarily.</i>
<i>“Singapore”</i>	<i>The Republic of Singapore.</i>
<i>“Writing” and “Written”</i>	<i>includes printing, lithography, typewriting and any other mode of representing or reproducing words in a visible form.</i>
<i>“Year”</i>	<i>Calendar Year.</i>

The expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Act.

References in these Articles to “holders” of shares or a class of shares shall:–

- (a) exclude the Depository except where otherwise expressly provided in these Articles or where the term “registered holders” or “registered holder” is used in these Articles; and*
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares,*

and “holding” and “held” shall be construed accordingly.

Words denoting the singular number only shall include the plural and vice versa.

Words denoting the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Save as aforesaid, any word or expression used in the Act and the Interpretation Act, Chapter 1 shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

THE APPENDIX

Proposed Alterations to Existing Article 2

By deleting Article 2 in its entirety and substituting therefor the following:

2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:—

WORDS	MEANINGS
“Approved Shareholder”	Any person or corporation who has received approval from the Minister, pursuant to Section 9 of the Newspaper Act, to subscribe for or purchase management shares.
“The Act”	The Companies Act, Chapter 50 or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.
“The Articles”	These Articles of Association or other regulations of the Company for the time being in force.
“The Company”	The abovenamed Company by whatever name from time to time called.
“Director”	includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
“Directors”	The Directors for the time being of the Company or such number of them as have authority to act for the Company.
“Dividend”	includes bonus.
<u>“Management Shares”</u>	<u>Management shares in the capital of the Company.</u>
“Member”	A Member of the Company <u>and shall exclude the Company where it is a member by reason of shares held by it as treasury shares.</u>
“Minister”	the Minister referred to in the Newspaper Act.
“Month”	Calendar Month.
“Newspaper Act”	the Newspaper and Printing Presses Act (Gap <u>Chapter 206</u>) and any amendments thereto or re-enactments thereof for the time being in force.
“Office”	The Registered Office of the Company for the time being.
<u>“Ordinary Shares”</u>	<u>Ordinary shares in the capital of the Company.</u>

THE APPENDIX

“Paid Up”	includes credited as paid up.
“Prescribed Limits”	Shareholding limits prescribed by the Newspaper Act from time to time.
“Seal”	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
“Secretary”	The Secretary or Secretaries appointed under these Articles and shall include any person entitled to perform the duties of Secretary temporarily.
“Singapore”	The Republic of Singapore.
“Writing” and “Written”	includes printing, lithography, typewriting and any other mode of representing or reproducing words in a visible form.
“Year”	Calendar Year.

The expressions “Depositor”, “Depository”, “Depository Agent”, and “Depository Register” and “treasury shares” shall have the meanings ascribed to them respectively in the Act.

References in these Articles to “holders” of shares or a class of shares shall:–

- (a) exclude the Depository except where otherwise expressly provided in these Articles or where the term “registered holders” or “registered holder” is used in these Articles; and
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (c) except where otherwise expressly provided in these Articles, exclude the Company in relation to shares held by it as treasury shares,

and “holding” and “held” shall be construed accordingly.

Words denoting the singular number only shall include the plural and vice versa.

Words denoting the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Save as aforesaid, any word or expression used in the Act and the Interpretation Act, Chapter 1 shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

The headnotes ~~and marginal notes~~ are inserted for convenience only and shall not affect the construction of these Articles.

THE APPENDIX

2. EXISTING ARTICLE 5

5. *The authorised capital of the Company is \$505,000,000 divided into 499,950,000 ordinary shares of \$1 each and 5,050,000 management shares of \$1 each.*

Proposed Alterations to Existing Article 5

By deleting Article 5 in its entirety.

3. EXISTING ARTICLE 6(1)

6. (1) *Not less than one per cent. of all issued shares shall consist of management shares. Management shares shall have the same par value as ordinary shares but shall not:—*
- (i) *be offered before issue, to ordinary shareholders; or*
 - (ii) *be quoted or dealt in on a stock exchange in Singapore or elsewhere.*

Proposed Alterations to Existing Article 6(1)

By deleting Article 6(1) in its entirety and substituting therefor the following:

6. (1) *Not less than one per cent. of all issued shares shall consist of management shares. Management shares shall have the same par value as ordinary shares but shall not:—*
- (i) *be offered before issue, to ordinary shareholders; or*
 - (ii) *be quoted or dealt in on a stock exchange in Singapore or elsewhere.*

4. EXISTING ARTICLE 9(2)

9. (2) *Notwithstanding any other provisions of these presents, such person or persons approved by the Minister shall be entitled to hold or control such number of voting shares in the Company which reaches or exceeds any of the Prescribed Limits, subject to such terms and conditions as may be imposed by the Minister.*

Proposed Alterations to Existing Article 9(2)

By deleting Article 9(2) in its entirety and substituting therefor the following:

9. (2) *Notwithstanding any other provisions of these presents ~~Articles~~, such person or persons approved by the Minister shall be entitled to hold or control such number of voting shares in the Company which reaches or exceeds any of the Prescribed Limits, subject to such terms and conditions as may be imposed by the Minister.*

5. EXISTING ARTICLE 10

10. *The Company may, subject to and in accordance with the Act, purchase or otherwise acquire shares (other than management shares) in the issued share capital of the Company on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.*

THE APPENDIX

Proposed Alterations to Existing Article 10

By deleting Article 10 in its entirety and substituting therefor the following:

10. The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares (other than management shares) ~~in the issued share capital of the Company~~ on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.

6. EXISTING ARTICLE 11

11. *Subject to the Act and the Newspaper Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 59, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such deferred, qualified or special rights, privileges or conditions as the Directors may think fit, provided always that:—*
 - (i) *no management shares shall be issued except to Approved Shareholders;*
 - (ii) *no shares shall be issued at a discount, except in accordance with the Act;*
 - (iii) *(subject to any approval required from the Minister and any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 59(1) with such adaptations as are necessary shall apply; and*
 - (iv) *any other issue of shares, the aggregate of which would exceed the limits referred to in Article 59(2), shall be subject to the approval of the Company in General Meeting.*

Proposed Alterations to Existing Article 11

By deleting Article 11 in its entirety and substituting therefor the following:

11. Subject to the Act and the Newspaper Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 59, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such deferred, qualified or special rights, privileges or conditions as the Directors may think fit, provided always that:—
 - (i) no management shares shall be issued except to Approved Shareholders;
 - (ii) ~~no shares shall be issued at a discount, except in accordance with the Act;~~

THE APPENDIX

- ~~(iii)~~(ii) (subject to any approval required from the Minister and any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 59(1) with such adaptations as are necessary shall apply; and
- ~~(iv)~~(iii) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 59(2), shall be subject to the approval of the Company in General Meeting.

7. **EXISTING ARTICLE 13(1)**

13. (1) *In the event of preference shares being issued the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.*

Proposed Alterations to Existing Article 13(1)

By deleting Article 13(1) in its entirety and substituting therefor the following:

13. (1) In the event of pPreference shares being may be issued subject to such limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed. the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares and pPreference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.

8. **NEW ARTICLE 13A**

New Article 13A shall be inserted immediately after Article 13 as follows:

- 13A. The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

THE APPENDIX

9. EXISTING ARTICLE 16

16. *The Company may exercise the powers of paying commission conferred by the Act, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the commission shall not exceed the rate of ten per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent. of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares, or partly in one way and partly in the other. The Company may also on any issue pay such brokerage as may be lawful.*

Proposed Alterations to Existing Article 16

By deleting Article 16 in its entirety and substituting therefor the following:

16. ~~The Company may exercise the powers of paying pay commission or brokerage on any issue of shares at such conferred by the Act, provided that the rate per cent. or the amount and in such manner as the Directors may deem fit. of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the commission shall not exceed the rate of ten per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent. of that price (as the case may be). Such commission or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares, or partly in one way and partly in the other. The Company may also on any issue pay such brokerage as may be lawful.~~

10. EXISTING ARTICLE 19

19. *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.*

Proposed Alterations to Existing Article 19

By deleting Article 19 in its entirety and substituting therefor the following:

19. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.

11. EXISTING ARTICLE 23

23. *The certificate of title to shares or debentures in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least two Directors, or by one Director and the*

THE APPENDIX

Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates and the amounts paid thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.

Proposed Alterations to Existing Article 23

By deleting Article 23 in its entirety and substituting therefor the following:

23. The certificate of title to shares or debentures in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least two Directors, or by one Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and Every such certificate shall specify the number and class of shares or, as the case may be, debentures to which it relates and the amounts paid and amount (if any) unpaid thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.

12. EXISTING ARTICLE 30

30. *The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:—*
- (i) all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2 as the Directors may from time to time require, is paid to the Company in respect thereof;*
 - (ii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;*
 - (iii) the instrument of transfer is in respect of only one class of shares;*
 - (iv) the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered;*
 - (v) (in the case of an instrument of transfer relating to ordinary shares) the instrument of transfer has a declaration attached to it duly made by or on behalf of the transferee stating:—*
 - (a) the extent of the transferee's interest, directly or indirectly, in the issued ordinary share capital of the Company as at the date of the declaration;*
 - (b) whether or not the transferee is a nominee and (where the transferee is a nominee) such particulars of the interest in the shares comprised in such instrument of transfer as would otherwise have to be given under the provisions of the preceding subparagraph; and*
 - (vi) (in the case of a transfer relating to management shares) there is attached to the instrument of transfer the written approval of the Minister authorising the transferee to hold such shares.*

THE APPENDIX

Proposed Alterations to Existing Article 30

By deleting Article 30 in its entirety and substituting therefor the following:

30. The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:–
- (i) ~~all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2 as the Directors may from time to time require, is paid to the Company in respect thereof;~~
 - (ii) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;
 - ~~(iii)~~(iii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which ~~it~~ the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;
 - ~~(iii)~~(iv) the instrument of transfer is in respect of only one class of shares;
 - (iv) ~~the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered;~~
 - (v) (in the case of an instrument of transfer relating to ordinary shares) the instrument of transfer has a declaration attached to it duly made by or on behalf of the transferee stating:–
 - (a) the extent of the transferee's interest, directly or indirectly, in the Company's issued ordinary shares ~~share capital of the Company~~ as at the date of the declaration;
 - (b) whether or not the transferee is a nominee and (where the transferee is a nominee) such particulars of the interest in the ordinary shares comprised in such instrument of transfer as would otherwise ~~have to be given~~ under the provisions of the preceding sub-paragraph; and
 - (vi) (in the case of a transfer relating to management shares) there is attached to the instrument of transfer the written approval of the Minister authorising the transferee to hold such shares.

13. EXISTING ARTICLE 42

42. *The Directors may from time to time make such calls as they think fit upon the Members in respect of any money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.*

THE APPENDIX

Proposed Alterations to Existing Article 42

By deleting Article 42 in its entirety and substituting therefor the following:

42. The Directors may from time to time make such calls as they think fit upon the Members in respect of any money unpaid on their shares (~~whether on account of the nominal value of the shares or by way of premium~~) and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

14. EXISTING ARTICLE 45

45. *Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.*

Proposed Alterations to Existing Article 45

By deleting Article 45 in its entirety and substituting therefor the following:

45. Any sum (~~whether on account of the nominal value of the share or by way of premium~~) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

15. EXISTING ARTICLE 47

47. *The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding eight per cent. per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits.*

THE APPENDIX

Proposed Alterations to Existing Article 47

By deleting Article 47 in its entirety and substituting therefor the following:

47. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money (~~whether on account of the nominal value of the shares or by way of premium~~) uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding eight per cent. per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits.

16. EXISTING ARTICLE 57

57. *The Company in General Meeting may from time to time by Ordinary Resolution, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation of new shares of such amount as may be deemed expedient provided always that at least one per cent. of the new shares so created shall be management shares.*

Proposed Alterations to Existing Article 57

By deleting Article 57 in its entirety.

17. EXISTING ARTICLE 59

59. (1) *Subject to any direction to the contrary that may be given by the Company in General Meeting, all new ordinary shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing ordinary shares to which they are entitled. The offer shall be made by notice specifying the number of ordinary shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the ordinary shares offered, the Directors may dispose of those ordinary shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new ordinary shares which (by reason of the ratio which the new ordinary shares bear to ordinary shares held by persons entitled to an offer of new ordinary shares) cannot, in the opinion of the Directors, be conveniently offered under this regulation.*
- (2) *Notwithstanding Article 59(1), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:—*
- (i) (a) *issue shares in the capital of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or*
- (b) *make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and*

THE APPENDIX

- (ii) *(notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,*

provided that:–

- (1) *the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument), does not exceed 50 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to members of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 20 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);*
- (2) *for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above:–*
- (i) *the percentage of issued share capital shall be calculated based on the maximum potential issued share capital of the Company as at the date of the passing of the Ordinary Resolution (taking into account the conversion or exercise of any convertible securities and share options that have been issued pursuant to any previous approval by Members and which are outstanding as at the date of the passing of the Ordinary Resolution), adjusted for any subsequent consolidation or subdivision of shares; and*
- (ii) *in relation to an Instrument, the number of shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;*
- (3) *in exercising the power to make or grant Instruments (including the making of any adjustments under any relevant Instrument), the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and these Articles; and*
- (4) *(unless revoked or varied by the Company in general meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).*

THE APPENDIX

Proposed Alterations to Existing Article 59

By deleting Article 59 in its entirety and substituting therefor the following:

59. (1) Subject to any direction to the contrary that may be given by the Company in General Meeting, all new ordinary shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the ~~amount~~ number of the existing ordinary shares to which they are entitled. The offer shall be made by notice specifying the number of ordinary shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the ordinary shares offered, the Directors may dispose of those ordinary shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new ordinary shares which (by reason of the ratio which the new ordinary shares bear to ordinary shares held by persons entitled to an offer of new ordinary shares) cannot, in the opinion of the Directors, be conveniently offered under this regulation.
- (2) Notwithstanding Article 59(1), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:—
- (i) (a) issue shares in the capital of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
 - (b) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and
 - (ii) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:—

- (1) ~~the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument), does not exceed 50 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to members of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 20 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);~~

THE APPENDIX

- ~~(2)~~ for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above:—
- ~~(i)~~ the percentage of issued share capital shall be calculated based on the maximum potential issued share capital of the Company as at the date of the passing of the Ordinary Resolution (taking into account the conversion or exercise of any convertible securities and share options that have been issued pursuant to any previous approval by Members and which are outstanding as at the date of the passing of the Ordinary Resolution), adjusted for any subsequent consolidation or subdivision of shares; and
 - ~~(ii)~~ in relation to an Instrument, the number of shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;
- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited;
- ~~(3)~~(2) in exercising the power to make or grant Instruments (including the making of any adjustments under any relevant Instrument) the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and these Articles; and
- ~~(4)~~(3) (unless revoked or varied by the Company in general meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

18. EXISTING ARTICLE 61

61. *The Company may by Ordinary Resolution:—*

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;*
- (ii) cancel any shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled;*
- (iii) subdivide its shares or any of them into shares of a smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and*
- (iv) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.*

THE APPENDIX

Proposed Alterations to Existing Article 61

By deleting Article 61 in its entirety and substituting therefor the following:

61. The Company may by Ordinary Resolution:–

- (i) ~~consolidate and divide all or any of its shares capital into shares of larger amount than its existing shares;~~
- (ii) ~~cancel any shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled;~~
- (iii)(ii) ~~subdivide its shares or any of them into shares of a smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and~~
- (iv)(iii) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.

19. EXISTING ARTICLE 62

62. *The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or share premium account in any manner and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Articles and the Act, the nominal amount of the issued ordinary share capital of the Company shall be diminished by the nominal amount of the share so cancelled.*

Proposed Alterations to Existing Article 62

By deleting Article 62 in its entirety and substituting therefor the following:

62. The Company may by ~~Special Resolution~~ reduce its share capital, ~~any capital redemption reserve fund or share premium account or any undistributable reserve~~ in any manner and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Articles and the Act, ~~the nominal amount of the issued ordinary share capital of the Company shall be diminished by the nominal amount of the share so cancelled~~ the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.

THE APPENDIX

20. EXISTING ARTICLE 63

63. *The Company may by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares of any denomination.*

Proposed Alterations to Existing Article 63

By deleting Article 63 in its entirety and substituting therefor the following:

63. The Company may by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares of any denomination.

21. EXISTING ARTICLE 64

64. *The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine, provided that such units shall not be greater than the nominal amount of the shares from which the stock arose.*

Proposed Alterations to Existing Article 64

By deleting Article 64 in its entirety and substituting therefor the following:

64. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine, ~~provided that such units shall not be greater than the nominal amount of the shares from which the stock arose.~~

22. EXISTING ARTICLE 65

65. *The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by any such aliquot part of the stock which would not if existing in shares have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.*

THE APPENDIX

Proposed Alterations to Existing Article 65

By deleting Article 65 in its entirety and substituting therefor the following:

65. The holders of stock shall, according to the ~~amount~~ number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by ~~any such aliquot part of the~~ number of stock units which would not, if existing in shares, have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

23. EXISTING ARTICLE 66

66. *All provisions of these Articles applicable to paid up shares shall apply to stock and the words "share" and "shareholder" or similar expression herein shall include "stock" or "stockholder".*

Proposed Alterations to Existing Article 66

By deleting Article 66 in its entirety and substituting therefor the following:

66. All provisions of these Articles applicable to paid up shares shall apply to stock and the words "share" and "shareholder" or similar expression herein shall include "stock", "stock units" or "stockholder".

24. EXISTING ARTICLE 73

73. *No business shall be transacted at any General Meeting unless a quorum is present. Save as herein otherwise provided, two Members present in person shall form a quorum. For the purpose of this Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member.*

Proposed Alterations to Existing Article 73

By deleting Article 73 in its entirety and substituting therefor the following:

73. No business shall be transacted at any General Meeting unless a quorum is present. Save as herein otherwise provided, two Members present in person shall form a quorum. For the purpose of this Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Provided that (a) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (b) where a Member is represented by more than one proxy, such proxies shall count as only one Member for the purpose of determining the quorum.

THE APPENDIX

25. EXISTING ARTICLE 77

77. *The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.*

Proposed Alterations to Existing Article 77

By deleting Article 77 in its entirety and substituting therefor the following:

77. The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

26. EXISTING ARTICLE 78(2)

78. (2) *Subject as otherwise provided in these Articles, at any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:—*
- (i) by the Chairman (being a person entitled to vote thereat); or*
 - (ii) by at least two Members present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat; or*
 - (iii) by any Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or*
 - (iv) by a Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.*

Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll is required or so demanded (and the demand is not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

THE APPENDIX

Proposed Alterations to Existing Article 78(2)

By deleting Article 78(2) in its entirety and substituting therefor the following:

78. (2) Subject as otherwise provided in these Articles, at any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:—
- (i) by the Chairman (~~being a person entitled to vote thereat~~); or
 - (ii) by at least two Members present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat; or
 - (iii) by any Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or
 - (iv) by a Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right not less than 10 per cent. of the total number of paid-up shares of the Company (excluding treasury shares).

Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll is required or so demanded (and the demand is not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

27. EXISTING ARTICLE 84(1)

84. (1) *Subject and without prejudice to these Articles and to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company each Member entitled to vote may vote in person or by proxy. On a show of hands every Member who is present in person and each proxy shall have one vote and on a poll, every Member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.*

Proposed Alterations to Existing Article 84(1)

By deleting Article 84(1) in its entirety and substituting therefor the following:

84. (1) Subject and without prejudice to these Articles and to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 13A, each Member entitled to vote may vote in person or by proxy. On a show of hands every Member who is present in person ~~and each proxy~~ or by proxy shall have one vote (provided that in the case of a Member who is represented by two proxies or, in the

THE APPENDIX

case of a Member holding management shares, where such Member is represented by two or more proxies, only one of the two or (as the case may be) more proxies as determined by that Member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands) and on a poll, every Member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

28. **EXISTING ARTICLE 97(1)**

97. (1) *Subject to the other provisions of Section 145 of the Act, the number of the Directors, all of whom shall be natural persons, shall not be less than two nor unless otherwise determined by a General Meeting more than twelve.*

Proposed Alterations to Existing Article 97(1)

By deleting Article 97(1) in its entirety and substituting therefor the following:

97. (1) Subject to the other provisions of Section 145 of the Act, the number of the Directors, all of whom shall be natural persons, shall not be less than two ~~nor unless otherwise determined by a General Meeting more than twelve.~~

29. **EXISTING ARTICLE 102(4)**

102. (4) *In these Articles the expression "Executive Director" shall mean and include any Director, including a Managing Director who has been or is engaged substantially whole-time in the business of the Company or of any related corporation or partly in one and partly in another.*

Proposed Alterations to Existing Article 102(4)

By deleting Article 102(4) in its entirety and substituting therefor the following:

102. (4) In these Articles the expression "Executive Director" shall mean and include any Director, including a ~~Managing Director~~ Chief Executive Officer (or person holding an equivalent position) who has been or is engaged substantially whole-time in the business of the Company or of any related corporation or partly in one and partly in another.

30. **EXISTING ARTICLE 103**

103. *Other than the office of Auditors, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so*

THE APPENDIX

contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in contracts or proposed contracts with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. No Director shall as a Director vote in respect of any contract, arrangement or transaction in which he is so interested as aforesaid and if he does so vote his vote shall not be counted but this prohibition as to voting shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them any security by way of any lawful indemnity or to any allotment of shares in or debentures of the Company to any Director.

Proposed Alterations to Existing Article 103

By deleting Article 103 in its entirety and substituting therefor the following:

103. Other than the office of Auditors, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement or transaction with the Company either as vendor, purchaser or otherwise nor shall such contract, ~~or arrangement or transaction~~ or any contract, ~~or arrangement or transaction~~ entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or transacting or being so interested be liable to account to the Company for any profit realised by any such contract, ~~or arrangement or transaction~~ by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in contracts, arrangements or transactions or proposed contracts, arrangements or transactions with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. No Director shall as a Director vote in respect of any contract, arrangement or transaction in which he is so interested as aforesaid and if he does so vote his vote shall not be counted but this prohibition as to voting shall not apply to any contract, arrangement or transaction by or on behalf of the Company to give to the Directors or any of them any security by way of any lawful indemnity or to any allotment of shares in or debentures of the Company to any Director.

31. EXISTING ARTICLE 109

109. *The office of a Director shall be vacated in any one of the following events, namely:—*

- (i) if he is prohibited from being a Director by reason of any order made under the Act;*
- (ii) if he ceases to be a Director by virtue of any of the provisions of the Act;*
- (iii) if he resigns by writing under his hand left at the Office;*
- (iv) if a receiving order is made against him or if he suspends payments or compounds with his creditors generally;*
- (v) if he should become of unsound mind during his term of office;*
- (vi) if he absents himself from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated;*

THE APPENDIX

- (vii) if he is removed by the Company in General Meeting pursuant to these Articles;
- (viii) if he ceases to be a Singapore citizen or any approval granted under the Newspaper Act to his acting as a Director is revoked;
- (ix) if, being a Director appointed before 12th May, 1989, he fails, within two months thereof, to obtain the approval of the Minister to hold management shares, or, such approval is subsequently revoked; or
- (x) if, being a Director appointed after 12th May, 1989, he fails, within two months of such appointment to obtain the approval of the Minister to hold management shares, or such approval is subsequently revoked.

Proposed Alterations to Existing Article 109

By deleting Article 109 in its entirety and substituting therefor the following:

109. The office of a Director shall be vacated in any one of the following events, namely:–

- (i) if he is prohibited from being a Director by reason of any order made under the Act;
- (ii) if he ceases to be a Director by virtue of any of the provisions of the Act;
- (iii) if he resigns by writing under his hand left at the Office;
- (iv) if a receiving order is made against him or if he suspends payments or compounds with his creditors generally;
- (v) if he should become of unsound mind during his term of office;
- ~~(vi) if he absents himself from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated;~~
- (vii) if he is removed by the Company in General Meeting pursuant to these Articles;
- (viii) if he ceases to be a Singapore citizen or any approval granted under the Newspaper Act to his acting as a Director is revoked;
- (ix) if, being a Director appointed before 12th May, 1989, he fails, within two months thereof, to obtain the approval of the Minister to hold management shares, or, such approval is subsequently revoked; or
- (x) if, being a Director appointed after 12th May, 1989, he fails, within two months of such appointment to obtain the approval of the Minister to hold management shares, or such approval is subsequently revoked.

32. EXISTING ARTICLE 111

111. *Subject to these Articles and to the Act, at each Annual General Meeting one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to one-third with a minimum of one, shall retire from office.*

Proposed Alterations to Existing Article 111

By deleting Article 111 in its entirety and substituting therefor the following:

111. Subject to these Articles and to the Act, at each Annual General Meeting one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to but not less than one-third ~~with a minimum of one~~, shall retire from office.

THE APPENDIX

33. EXISTING ARTICLE 122

122. *A resolution in writing signed by the majority of the Directors for the time being in Singapore and constituting a quorum shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors. The expressions "in writing" and "signed" include approval by any such Director by telefax, telex, cable or telegram or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.*

Proposed Alterations to Existing Article 122

By deleting Article 122 in its entirety and substituting therefor the following:

122. A resolution in writing signed or approved by the a majority of the Directors for the time being in Singapore and constituting a quorum shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form each signed or approved by one or more of the Directors. The expressions "in writing", and "signed" and "approved" include approval by any such Director by telefax, ~~telex, cable or telegram~~ or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

34. EXISTING ARTICLE 126

126. *The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and of these Articles and to any regulations from time to time made by the Company in General Meeting, provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made; provided always that the Directors shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting.*

Proposed Alterations to Existing Article 126

By deleting Article 126 in its entirety and substituting therefor the following:

126. The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in General Meeting. ~~but subject nevertheless to the provisions of the Act and of these Articles and to any regulations from time to time made by the Company in General Meeting, provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made; provided always that~~ The Directors shall not carry into effect

THE APPENDIX

any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting.

35. **EXISTING ARTICLE 138**

138. Subject to the rights of holders of shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such shares shall rank for dividend accordingly.

Proposed Alterations to Existing Article 138

By deleting Article 138 in its entirety and substituting therefor the following:

~~138. Subject to the rights of holders of shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such shares shall rank for dividend accordingly.~~

Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:

- (i) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (ii) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

36. **EXISTING ARTICLE 140**

140. If the Company shall issue shares at a premium, whether for cash or otherwise, the Directors shall transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividend.

Proposed Alterations to Existing Article 140

By deleting Article 140 in its entirety.

THE APPENDIX

37. EXISTING ARTICLE 145

145. *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture.*

Proposed Alterations to Existing Article 145

By deleting Article 145 in its entirety and substituting therefor the following:

145. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first being declared payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable ~~of declaration of such dividend~~ may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the ~~dividend moneys~~ so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date on which such dividend or moneys are first payable.

38. EXISTING HEADNOTE "CAPITALISATION OF PROFITS AND RESERVES" AND ARTICLE 152

CAPITALISATION OF PROFITS AND RESERVES

152. *The Directors may, with the sanction of an Ordinary Resolution of the Company, (including any Ordinary Resolution passed pursuant to Article 59(2)) capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account, Capital Redemption Reserve Fund or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Article 59(2)) such other date as may be determined by the Directors in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf*

THE APPENDIX

of all the Members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Proposed Alterations to Existing Headnote and Existing Article 152

By deleting the headnote "CAPITALISATION OF PROFITS AND RESERVES" and Article 152 in their entirety and substituting therefor the following:

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

~~152. The Directors may, with the sanction of an Ordinary Resolution of the Company, (including any Ordinary Resolution passed pursuant to Article 59(2)) capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account, Capital Redemption Reserve Fund or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Article 59(2)) such other date as may be determined by the Directors in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.~~

152. (1) The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Article 59(2)):

- (i) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
 - (a) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
 - (b) (in the case of an Ordinary Resolution passed pursuant to Article 59(2)) such other date as may be determined by the Directors,

THE APPENDIX

in proportion to their then holdings of shares; and/or

(ii) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

(a) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

(b) (in the case of an Ordinary Resolution passed pursuant to Article 59(2)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(2) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Article 152(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue and/or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(3) In addition and without prejudice to the powers provided for by Articles 152(1) and 152(2), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit.

39. EXISTING ARTICLE 158

158. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary. Whenever so required, the interval between the close of a financial year of the Company and the issue of accounts relating thereto shall not exceed five months.

THE APPENDIX

Proposed Alterations to Existing Article 158

By deleting Article 158 in its entirety and substituting therefor the following:

158. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary. Whenever so required, the interval between the close of a financial year of the Company and the ~~issue of accounts relating thereto~~ date of the Company's Annual General Meeting shall not exceed ~~five~~ four months (or such other period as may be specified by the Act).

40. NEW ARTICLE 164A

New Article 164A is proposed to be inserted immediately after Article 164 as follows:

- 164A. Without prejudice to the provisions of Article 164, any notice or document (including, without limitations, any accounts, balance sheet or report) which is required or permitted to be given, sent or served under the Act or under these Articles by the Company, or by the Directors, to a member or an officer or Auditor of the Company may be given, sent or served using electronic communications to the current address of that person in accordance with the provisions of, or as otherwise provided by, the Act and/or any other applicable regulations or procedures. Such notice or document shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Act and/or any other applicable regulations or procedures.

41. EXISTING ARTICLE 167

167. *A person entitled to a share in consequence of the death or bankruptcy of a Member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the Member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt or in liquidation, and whether or not the Company shall have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member in the Register of Members or, where such Member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.*

THE APPENDIX

Proposed Alterations to Existing Article 167

By deleting Article 167 in its entirety and substituting therefor the following:

167. A person entitled to a share in consequence of the death or bankruptcy of a Member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the Member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the address of any Member or given or sent to, or served on, any Member using electronic communications in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt or in liquidation, and whether or not the Company shall have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member in the Register of Members or, where such Member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.

NOTICE OF EXTRAORDINARY GENERAL MEETING

SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198402868E

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Singapore Press Holdings Limited (the "**Company**") will be held at The Auditorium, News Centre, 1000 Toa Payoh North, 1st Storey Annexe Block, Singapore 318994, on 5 December 2006 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Twenty-Second Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, approving, with or without amendment, the following Resolutions, of which Resolutions 1 and 3 will be proposed as Ordinary Resolutions and Resolution 2 will be proposed as a Special Resolution:

Resolution 1: Ordinary Resolution

The Proposed Renewal of the Share Buy Back Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Ordinary Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") transacted through the Central Limit Order Book trading system; and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy Back Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held; and
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;

- (c) in this Resolution:

"**Average Closing Price**" means the average of the last dealt prices of an Ordinary Share for the five consecutive trading days on which the Ordinary Shares are transacted on the SGX-ST immediately preceding the date of market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action which occurs after the relevant five day period;

NOTICE OF EXTRAORDINARY GENERAL MEETING

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Ordinary Shares from holders of Ordinary Shares, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Ordinary Share and the relevant terms of the equal access scheme for effecting off-market purchase;

“**Maximum Limit**” means that number of issued Ordinary Shares representing 10% of the total number of the issued Ordinary Shares as at the date of the passing of this Resolution (excluding any Ordinary Shares which are held as treasury shares as at that date);

“**Maximum Price**”, in relation to an Ordinary Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed, in the case of a market purchase of an Ordinary Share and off-market purchase pursuant to an equal access scheme, 105% of the Average Closing Price of the Ordinary Shares; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

Resolution 2: Special Resolution

The Proposed Alterations to the Articles of Association

That the Articles of Association of the Company be altered in the manner and to the extent as set out in the Appendix to the Company’s Circular to Shareholders dated 1 November 2006 (the “**Circular**”).

Resolution 3: Ordinary Resolution

The Proposed Adoption of the SPH Performance Share Plan

That:

- (a) the Singapore Press Holdings Group (1999) Share Option Scheme (the “**1999 Share Option Scheme**”) be terminated on such date as determined by the Committee of Directors administering the 1999 Share Option Scheme, provided that such termination shall be without prejudice to the rights of holders of options accepted and outstanding under the 1999 Share Option Scheme as at the date of its termination;
- (b) a new performance share plan to be known as the “SPH Performance Share Plan” (the “**SPH Performance Share Plan**”), the rules of which, for the purpose of identification, have been subscribed to by the Chairman of the Meeting, under which awards (“**Awards**”) of fully paid-up Ordinary Shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees of the Company, its subsidiaries and its associated companies, including executive Directors of the Company, and other selected participants, details of which are set out in the Circular, be and is hereby approved;
- (c) the Directors of the Company be and are hereby authorised:
- (i) to establish and administer the SPH Performance Share Plan; and
 - (ii) to modify and/or alter the SPH Performance Share Plan from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the SPH Performance Share Plan, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the SPH Performance Share Plan; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) the Directors of the Company be and are hereby authorised to grant Awards in accordance with the provisions of the SPH Performance Share Plan and to allot and issue from time to time such number of fully paid-up Ordinary Shares as may be required to be allotted and issued pursuant to the vesting of Awards under the SPH Performance Share Plan, provided that the aggregate number of new Ordinary Shares to be allotted and issued pursuant to the 1999 Share Option Scheme and the SPH Performance Share Plan shall not exceed 10 per cent. of the total issued Ordinary Shares from time to time.

By Order of the Board

Ginney Lim May Ling
Khor Siew Kim
Company Secretaries

1 November 2006
Singapore

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 instead of him. A proxy need not be a member of the Company.
- (2) The instrument appointing the proxy must be deposited at the Company's Share Registration Office, Tricor Barbinder Share Registration Services, a business division of Tricor Singapore Pte Ltd at 8 Cross Street, #11-00, PWC Building, Singapore 048424, not less than 48 hours before the time appointed for the Extraordinary General Meeting.
- (3) The Company may use internal sources of funds, or a combination of internal resources and external borrowings, to finance the purchase or acquisition of its Ordinary Shares. The amount of financing required for the Company to purchase or acquire its Ordinary Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of Ordinary Shares purchased or acquired and the price at which such Ordinary Shares were purchased or acquired and whether the Ordinary Shares purchased or acquired are held in treasury or cancelled.

The financial effects of the purchase or acquisition of such Ordinary Shares by the Company pursuant to the proposed Share Buy Back Mandate on the audited financial statements of the Group for the financial year ended 31 August 2006, based on certain assumptions, are set out in paragraph 2.7 of the Circular.

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SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198402868E

For investors who have used their CPF moneys to buy shares in the capital of Singapore Press Holdings Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.

This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

*I/We _____ (Name)

of _____ (Address)

being a member/members of Singapore Press Holdings Limited ("SPH" or the "Company") hereby appoint the Chairman of the Meeting or failing him,

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

and/or (delete as appropriate)

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as my/our proxy/proxies to attend and vote for me/us and on my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting ("EGM") of the Company to be held on 5 December 2006 at The Auditorium, News Centre, 1000 Toa Payoh North, 1st Storey, Annexe Block, Singapore 318994, at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Twenty-Second Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM.

	To be used on a show of hands		To be used in the event of a poll	
	For ⁽¹⁾	Against ⁽¹⁾	No. of Votes For ⁽²⁾	No. of Votes Against ⁽²⁾
Resolution 1: Ordinary Resolution To approve the proposed renewal of the Share Buy Back Mandate.				
Resolution 2: Special Resolution To approve the proposed alterations to the Articles of Association of the Company.				
Resolution 3: Ordinary Resolution To approve the adoption of the SPH Performance Share Plan.				

(1) Please indicate your vote "For" or "Against" with a tick within the box provided.

(2) If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this 2006.

Total number of Ordinary Shares held	Total number of Management Shares held

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF



NOTES

- (1) Please insert the total number of ordinary shares and/or management shares (as the case may be) you hold. If you have ordinary shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act), you should insert that number of ordinary shares. If you have ordinary shares and/or management shares registered in your name in the Register of Members of our Company, you should insert that number of ordinary shares and/or management shares. If you have ordinary shares entered against your name in the Depository Register and ordinary shares registered in your name in the Register of Members, you should insert the aggregate number of such ordinary shares. If you do not insert any number, we shall deem this Proxy Form to relate to all the ordinary shares and/or management shares which you hold.
- (2) If any other proxy other than the Chairman of the Meeting is to be appointed, please delete the words “the Chairman of the Meeting” and insert the name and address of the proxy desired in the box provided. If the box is left blank or incomplete, the Chairman of the Meeting shall be deemed to be appointed as your proxy.
- (3) You are entitled to appoint one or two proxies to attend and vote on your behalf if you are entitled to attend and vote at a meeting of our shareholders. Your proxy need not be a member of SPH.
- (4) If you appoint two proxies, the appointments shall be invalid unless you specify the proportion of your shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- (5) You must deposit this Proxy Form at the Company’s share registration office, Tricor Barbinder Share Registration Services, a business division of Tricor Singapore Pte Ltd at 8 Cross Street, #11-00, PWC Building, Singapore 048424 not less than 48 hours before the time fixed for holding the Extraordinary General Meeting.
- (6) You must sign this Proxy Form personally or by your attorney duly authorised in writing. If you are a corporation, you must execute this Proxy Form either under your seal or by a director or an officer or attorney duly authorised.
- (7) If you are a corporation, you may authorise by resolution of your directors or other governing body such person as you think fit to act as your representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act.
- (8) We shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where your true intentions are not ascertainable from your instructions specified in this Proxy Form. In addition, if your ordinary shares are entered in the Depository Register, we may reject this Proxy Form if you are not shown to have the ordinary shares entered against your name in the Depository Register as at 48 hours before the time fixed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to us.