

SINGAPORE TECHNOLOGIES ENGINEERING LTD

(Incorporated in the Republic of Singapore)

(Regn. No.: 199706274H)

NOTICE OF EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighth Annual General Meeting of the Company will be held at Crystal Suite, Level 2, Holiday Inn Park View Singapore, 11 Cavenagh Road, Singapore 229616 on Thursday, 31 March 2005 at 2.30pm to transact the following business:-

As Ordinary Business

Resolution 1

To receive and adopt the Directors' Report and Audited Accounts for the year ended 31 December 2004 and the Auditors' Report thereon.

Resolution 2

To declare a first and final tax exempt (one-tier) dividend of 4.0 cents per share and a special tax exempt (one-tier) dividend of 8.39 cents per share for the year ended 31 December 2004.

Resolution 3

To re-elect the following Directors, each of whom will retire by rotation pursuant to Article 98 of the Articles of Association of the Company and who, being eligible, will offer themselves for re-election.

- (i) Mr Tan Pheng Hock
- (ii) Dr Philip Nalliah Pillai (independent member of the Audit Committee)
- (iii) Mr Lucien Wong Yuen Kuai
- (iv) Mr Venkatachalam Krishnakumar (independent member of the Audit Committee)

Resolution 4

To approve the sum of \$406,750 as Directors' fees for the year ended 31 December 2004. (2003: \$361,959)

Resolution 5

To re-appoint Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.

As Special Business

To consider and, if thought fit, to pass with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:-

Resolution 6

That pursuant to Section 153(6) of the Companies Act, Chapter 50, Mr Lim Chin Beng be and is hereby appointed as a Director of the Company with effect from the date of this Annual General Meeting to hold such office until the next Annual General Meeting of the Company.

Resolution 7

That authority be and is hereby given to the Directors to:-

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

- (ii) 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 (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

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

provided that:-

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent. 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 shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20 per cent. of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time this Resolution is passed, after adjusting for:-
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.



Resolution 8

THAT approval be and is hereby given to the Directors to:-

- (a) offer and grant options in accordance with the provisions of the Singapore Technologies Engineering Share Option Plan ("Share Option Plan") and/or to grant awards in accordance with the provisions of the Singapore Technologies Engineering Performance Share Plan ("Performance Share Plan") and/or the Singapore Technologies Engineering Restricted Stock Plan ("Restricted Stock Plan") (the Share Option Plan, the Performance Share Plan and the Restricted Stock Plan, together the "Share Plans"); and
- (b) allot and issue from time to time such number of ordinary shares of \$0.10 each in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Share Option Plan and/or such number of fully paid shares as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan and/or the Restricted Stock Plan,

provided that the aggregate number of ordinary shares to be issued pursuant to the Share Plans shall not exceed fifteen per cent. (15%) of the issued share capital of the Company from time to time.

Statement Pursuant to Article 60 of the Articles of Association of the Company

Resolution No. 6 is to appoint Mr Lim Chin Beng as a Director of the Company with effect from the date of the Eighth Annual General Meeting. Mr Lim is currently the Chairman of Singapore Press Holdings Ltd, The Ascott Group Limited and ValuAir Limited. He also sits on the Boards of CapitaLand Limited, StarHub Ltd, Press Foundation of Singapore Ltd and Pontiac Land Private Limited. He has had a distinguished career of more than 3 decades in the aviation industry. He retired as Deputy Chairman of Singapore Airlines in 1996. Mr Lim was also Singapore's Ambassador to Japan from June 1991 to November 1997. He joined Singapore Technologies Aerospace Ltd ("ST Aerospace") as Board Director on 15 February 1998 and was Chairman of ST Aerospace from 15 April 1998 to 15 July 2004. The Board of Directors of the Company is pleased to recommend the appointment of Mr Lim, who brings with him a wealth of experience both in the aviation industry and management. Mr Lim has expressed his willingness to act as a Director of the Company. As Mr Lim is over 70 years of age, his proposed appointment is subject to shareholders' approval pursuant to Section 153(6) of the Companies Act, Chapter 50.

Resolution No. 7 is to empower the Directors to issue ordinary shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into ordinary shares, and to issue ordinary shares in pursuance of such instruments, up to an amount not exceeding in total fifty per cent. (50%) of the issued ordinary share capital of the Company, with a sub-limit of twenty per cent. (20%) for issues other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of ordinary shares that may be issued, the percentage of issued share capital shall be based on the issued share capital of the Company at the time that Resolution No. 7 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible

securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution No. 7 is passed, and (b) any subsequent consolidation or subdivision of shares.

Resolution No. 8 is to empower the Directors to offer and grant options and/or grant awards and to issue ordinary shares in the capital of the Company pursuant to the Singapore Technologies Engineering Share Option Plan, Singapore Technologies Engineering Performance Share Plan and Singapore Technologies Engineering Restricted Stock Plan (collectively the "Share Plans"). Approval for the adoption of the Share Plans was given by shareholders at an Extraordinary General Meeting of the Company held on 23 November 2000. The grant of options and awards under the respective Share Plans will be made in accordance with their respective provisions. The aggregate number of ordinary shares which may be issued pursuant to the Share Plans is limited to fifteen per cent. (15%) of the issued ordinary share capital of the Company over the 10-year duration of the Share Plans.

BY ORDER OF THE BOARD

CHUA SU LI (Mrs)
Company Secretary

Singapore, 4 March 2005

NOTES:-

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be lodged at the registered office of the Company at 51 Cuppage Road, #09-08, StarHub Centre, Singapore 229469 not less than 48 hours before the time appointed for the Annual General Meeting.

Books Closure and Dividend Payment Dates

Duly completed transfers in respect of ordinary shares in the capital of the Company together with all relevant documents of title received by the Company's share registrar, M & C Services Private Limited, 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906 up to the close of business at 5.00 p.m. on 7 April 2005 (the "Books Closure Date") will be registered to determine members' entitlements to the proposed dividends, subject to approval of members to the proposed dividends at the Eighth Annual General Meeting to be convened on 31 March 2005. Subject as aforesaid, members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Books Closure Date will be entitled to the dividends. The Register of Members and Share Transfer Books will be closed on 8 April 2005 for the purpose of determining members' entitlements to the proposed dividends. The proposed dividends, if so approved by members, will be paid on 25 April 2005.