ST Engineering

SINGAPORE TECHNOLOGIES ENGINEERING LTD

(Incorporated in the Republic of Singapore)
Company Registration No. 199706274H

NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting of Singapore Technologies Engineering Ltd (the "**Company**") will be held at Marina Bay Sands Convention Centre, Level 3, Cassia Main, 3201A-3304, 10 Bayfront Avenue, Singapore 018956 on Thursday, 23 April 2015 at 2.30 p.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December 2014 and the Auditors' Report thereon. **Resolution 1**

2. To declare a final ordinary tax exempt (one-tier) dividend of 4.0 cents per share and a special tax exempt (one-tier) dividend of 7.0 cents per share for the year ended 31 December 2014. **Resolution 2**

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, offer themselves for re-election:

   (i) Mr Koh Beng Seng* **Resolution 3**
   (ii) Mr Venkatachalam Krishnakumar* **Resolution 4**
   (iii) Mr Davinder Singh s/o Amar Singh **Resolution 5**

   Mr Quek Poh Huat is also due to retire by rotation pursuant to Article 98 of the Articles of Association of the Company, but will not be offering himself for re-election.

   * *Mr Koh Beng Seng and Mr Venkatachalam Krishnakumar will, upon re-election as Directors of the Company, continue as Chairman and Member of the Audit Committee, respectively. Mr Koh and Mr Krishnakumar are considered independent directors for the purpose of Rule 704(8) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual.*

4. To re-elect the following Directors, each of whom will cease to hold office pursuant to Article 104 of the Articles of Association of the Company and who, being eligible, offer themselves for re-election:

   (i) MG (NS) Ng Chee Khern **Resolution 6**
   (ii) Ms Olivia Lum Ooi Lin **Resolution 7**
   (iii) Dr Beh Swan Gin **Resolution 8**

5. To approve the sum of $1,592,830 (2013: $1,198,660) as Directors' compensation for the year ended 31 December 2014. **Resolution 9**

6. To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 10**

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:

7. That authority be and is hereby given to the Directors to: **Resolution 11**

   (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 total number of issued shares in the capital of the Company excluding treasury shares (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) shall not exceed five per cent. of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with sub-paragraph (2) below);

   (2) (subject to such manner of calculation as may be prescribed by the 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 shares shall be based on the total number of issued shares in the capital of the Company excluding treasury shares 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 bonus issue or 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.

8. That approval be and is hereby given to the Directors to: **Resolution 12**

   (i) grant awards in accordance with the provisions of the Singapore Technologies Engineering Performance Share Plan 2010 (the "**PSP2010**") and/or the Singapore Technologies Engineering Restricted Share Plan 2010 (the "**RSP2010**") (the PSP2010 and the RSP2010, together the "**Share Plans**"); and

   (ii) allot and issue from time to time such number of fully paid ordinary shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the PSP2010 and/or the RSP2010,

   provided that the aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with existing ordinary shares (including ordinary shares held in treasury) delivered and/or to be delivered, pursuant to the Share Plans shall not exceed eight per cent. of the total number of issued ordinary shares in the capital of the Company (excluding treasury shares) from time to time.

BY ORDER OF THE BOARD

CHUA SU LI /
NG KWEE LIAN (KAREN)
Company Secretaries

Singapore, 27 March 2015

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 office of the Company's Share Registrar, M & C Services Private Limited, 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the Annual General Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

EXPLANATORY NOTES

Resolutions 3 to 8

Except for MG (NS) Ng Chee Khern who is the brother of LG Ng Chee Meng, a Director of the Company, the Directors who have offered themselves for re-election have each confirmed that, save as disclosed in the Annual Report 2014, he or she does not have any relationships (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. A list of all current directorships in other listed companies and details of other principal commitments held by each of these Directors can be found on pages 16 to 21 of the Annual Report 2014.

Resolution 9

Resolution 9 is to approve the payment of an aggregate amount of $1,592,830 (2013: $1,198,660) as Directors' compensation for the non-executive Directors of the Company for the year ended 31 December 2014. It is currently intended that, if approved, the relevant non-executive Directors who hold office as at the payment date (except for those who hold public sector appointments and who will not be eligible for the shares component of the non-executive Directors' compensation) will each receive 70% of his or her Directors' compensation for 2014 in cash and 30% of his or her Directors' compensation for 2014 in the form of restricted share awards pursuant to the RSP2010. The number of shares to be awarded will be determined by reference to the volume-weighted average of a share on the SGX-ST over the 14 trading days immediately following the date of the forthcoming Annual General Meeting, rounded down to the nearest hundred, and any residual balance will be settled in cash. The award will consist of the grant of fully paid shares, with no vesting periods imposed. However, in order to encourage alignment of the interests of the Directors with the interests of shareholders, a non-executive Director is required to hold shares for certain moratorium periods. See the section on "Directors' Fee Policy" in the Corporate Governance section on page 115 of the Annual Report 2014 for details and rationale in relation to the shares component of the non-executive Directors' compensation.

Resolution 11

Resolution 11 is to empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 50 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to five per cent. of the total number of issued shares (excluding treasury shares) may be issued other than on a *pro rata* basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Resolution 11 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 11 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

Resolution 12

Resolution 12 is to empower the Directors to grant awards and to issue ordinary shares in the capital of the Company pursuant to the Share Plans. The aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with existing ordinary shares (including ordinary shares held in treasury) delivered and/or to be delivered, pursuant to the Share Plans is limited to eight per cent. of the total number of issued ordinary shares in the capital of the Company (excluding treasury shares) over the 10-year duration of the Share Plans.

BOOKS CLOSURE AND DIVIDEND PAYMENT DATES

NOTICE IS HEREBY GIVEN THAT the Register of Members and Share Transfer Books will be closed on 30 April 2015 for the preparation of dividend warrants. 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, 112 Robinson Road #05-01, Singapore 068902 up to 5.00 pm on 29 April 2015 will be registered to determine members' entitlements to the proposed dividends, subject to approval of members to the proposed dividends at the Eighteenth Annual General Meeting to be convened on 23 April 2015. 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 pm on 29 April 2015 will be entitled to the proposed dividends. The proposed dividends, if so approved by members, will be paid on 15 May 2015.