



Annual Report 2015

# People with Passion



# Corporate Profile

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms.

## Media

The English/Malay/Tamil Media group comprises the print and digital operations of The Straits Times, The Business Times, The New Paper, Berita Harian, My Paper (English section) and two student publications IN and Little Red Dot. It also consists of Tamil Murasu Ltd, which publishes Tamil Murasu and tabla!; book publishing arm Straits Times Press; SPH Data Services, which licenses the use of the Straits Times Index, in partnership with the Singapore Exchange and FTSE Ltd; financial data company ShareInvestor; and the two English stations of SPH Radio - Kiss92 and ONE FM 91.3.

The Chinese Media group publishes three Chinese newspapers - Lianhe Zaobao, Lianhe Wanbao and Shin Min Daily News; the digital editions of Lianhe Zaobao and Lianhe Wanbao,

four student weeklies - zbCOMMA, Thumbs Up, Thumbs Up Junior and Thumbs Up Little Junior, ZbBz Newgazette and My Paper (Chinese section). It also operates SPH Radio's Chinese radio station, UFM100.3, and Focus Publishing, which produces a range of books and magazines including U-Weekly.

SPH's other new media initiatives include AsiaOne, Stomp, omy.sg and SPH Razor.

SPH Magazines, SPH's wholly-owned subsidiary, publishes and produces more than 100 magazine titles and has various online sites, like hardwarezone.com, herworldplus.com and luxuryinsider.com in Singapore and the region, covering a broad range of interests from lifestyle to information technology. It has also invested in digital newsstand Magzter.

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SPH also provides Out-of-Home (OOH) advertising through its digital out-of-home platform SPHMBO.

SPH Buzz is a modern retail convenience chain with a network of stores around the island.

SPH has a 20 per cent stake in MediaCorp TV Holdings Pte Ltd, which operates free-to-air channels 5, 8 and U, and a 40 per cent stake in MediaCorp Press Limited, which publishes the free newspaper, Today.

#### Properties

SPH REIT is a Singapore-based REIT established to invest in a portfolio of income-producing real estate primarily for retail purposes. SPH REIT comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall in the centre of Clementi town.

The Seletar Mall, located in Sengkang, is SPH's latest retail development. This property is a potential asset to be injected into SPH REIT. SPH's wholly-owned subsidiary, Times Development Pte Ltd, also developed a 43-storey upmarket residential condominium, Sky@eleven, at Thomson Road.

#### Other Businesses

##### Online Classifieds

SPH's online classifieds include the leading online marketplace for jobs (STJobs, FastJobs), property (STProperty), cars (STCars) and general classifieds (STClassifieds, Trezo), sgCarMart and StreetSine.

SPH's regional joint venture online classifieds business has a number of leading online classifieds sites in the region.

##### Events and Exhibitions

Sphere Exhibits, Sphere Conferences, Exhibits Inc and Bizlink Exhibition Services organise innovative consumer and trade events and exhibitions as well as large scale conferences in Singapore and the region.

#### Education

SPH has a 22 per cent stake in preschool and enrichment provider MindChamps.

For more information, please visit [www.sph.com.sg](http://www.sph.com.sg).

#### Our Brand Statement

To be Asia's Leading Media Organisation, Engaging Minds and Enriching Lives, Across Multiple Languages and Platforms.

#### Our Core Values (EXCITE)

**EX**cellence  
**C**ustomer-focus  
**I**ntegrity  
**T**eamwork  
**E**mbracing Change



# Businesses and Products Under The SPH Group

## Newspapers

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Berita Harian	Tamil Murasu
Berita Minggu	The Business Times
Gen G	The Business Times Weekend
i3	The New Paper
IN	The New Paper on Sunday
Lianhe Wanbao	The Straits Times
Lianhe Zaobao	The Sunday Times
Little Red Dot	Thumbs Up
My Paper (bilingual)	Thumbs Up Junior
Shin Min Daily News	Thumbs Up Little Junior
tabla!	Zaobao Sunday
	zbCOMMA

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## Magazines

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24:7	Savour
Action Asia	Shape Singapore
Always Toyota	SilverKris
Ascent	Simply Her
Asia-Pacific Boating	Singapore Health
AsiaSpa	Singapore Magazine
BMW	Singapore Nautilus
China Boating	The Finder
CLEO Singapore	The Johnnie Walker House Edit
Cohort	The Peak
Eh!	The Peak Gourmet & Travel
Female	The Peak Timepieces
Female Brides	The Singapore Women's Weekly
Glam	Torque
Glam Lelaki	U-Weekly
HardwareMAG	Victory Trail
Harper's BAZAAR Singapore	Wellness No. 1
Health No. 1	Winning Post
Her World	Young Families
Her World Brides	Young Parents
Home & Decor	Young Parents Preschool Guide
ICON	ZbBz
ICON Moments	
ICON Weddings	
JET Asia-Pacific	
LP Luxury Properties	
Men's Health Singapore	
NSMan	
Nanyou	
Nuyou	
Pinnacle	

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\* SPH has more than 100 magazine titles including contract and licensed titles in the region.

*For more information, visit [www.sphmagazines.com.sg](http://www.sphmagazines.com.sg)*

## Book Publishing / Contract Publishing

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Focus Publishing  
Straits Times Press

## Internet and Digital Media

701search.com	onefm.sg
asiaone.com	quotz.com.sg
beritaharian.sg	razor.tv
btinvest.com.sg	sgcarmart.com
businesstimes.com.sg	shape.com.sg
chope.com.sg	shareinvestor.com
chotot.vn	sheshops.com
cleo.com.sg	simplyher.com.sg
fastjobs.sg	soshiok.com
femalemag.com.sg	srx.com.sg
gameaxis.com	stcars.sg
hardwarezone.co.id	stclassifieds.sg
hardwarezone.com.my	stdirectory.sg
hardwarezone.com.ph	stjobs.sg
hardwarezone.com.sg	stomp.com.sg
harpersbazaar.com.sg	stproperty.sg
herworldplus.com	straitstimes.com
homeanddecor.com.sg	tamilmurasu.com.sg
homeanddecor.co.id	thefinder.com.sg
iconsingapore.com.sg	thepeakmagazine.com
kaidee.com	tnp.sg
kiss92.sg	torque.com.sg
lollipop.sg	towkayzone.com.sg
luxury-insider.com	trezo.sg
menshealth.com.sg	ufm1003.sg
mudah.my	wanbao.com.sg
mindchamps.org	womensweekly.com.sg
mycarforum.com	youngparents.com.sg
mypaper.sg	zaobao.com
nuyou.com.sg	<i>(accessible from China and Greater China)</i>
olx.co.id	zaobao.sg
omy.sg	

## Events and Out-of-Home Advertising

BizLink Exhibition Services	Sphere Conferences
Buzz Pods	Sphere Exhibits
Exhibits Inc	SPHMBO

## Properties

<b>Retail</b>	<b>Residential</b>
SPH REIT	Sky@eleven
Paragon	
The Clementi Mall	
The Seletar Mall	

## Broadcasting

<b>SPH Radio</b>
ONE FM 91.3
Kiss92
UFM100.3



# Passion to Inform

With the passion to make a difference with the power of words, we help people make informed decisions as well as bring stories to light. Our words help define the issues of our time and our future.







# Passion to Inspire

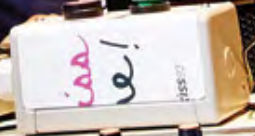
The airwaves are the gateway to our realms of inspiration. Providing us with the platform to have meaningful and engaging conversations with our listeners while entertaining them with a passion.







Date / Time	Sender	Message
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.
2015-07-13 14:02:30	10194117427	Hi, I am looking for a job. I am currently unemployed and looking for a job. I am currently unemployed and looking for a job.



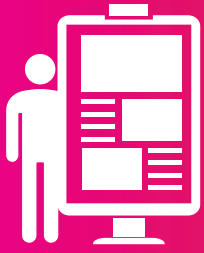


## Passion to Innovate

The technological revolution that has influenced the media landscape is in constant evolution. We are not just content to keep pace with these advances but work passionately to find innovative ways to connect consumers and our operations to each other and to the world.







# Passion to Captivate

Maximising exposure and the ability to connect businesses with the right audience is an art form. We believe in opening up a world of opportunities for businesses and are driven by a passion to see our captivating ideas come to fruition.







# Passion to Collaborate

Passion is an intangible asset that cannot be felt but can be seen with actions. As such, we approach every collaboration with our tenants with a dedicated purpose in making their brands come to the forefront and resonate with shoppers.



# Organisation Structure





# Group Financial Highlights

for the financial year ended August 31, 2015

	2015 S\$'000	2014 S\$'000	Change %
<b>Operating revenue</b>	<b>1,177,080</b>	1,215,184	(3.1)
<b>Operating profit<sup>#</sup></b>	<b>353,500</b>	348,963	1.3
<b>Profit before taxation</b>	<b>430,245</b>	528,391	(18.6)
<b>Profit after taxation</b>	<b>370,422</b>	470,736	(21.3)
<b>Non-controlling interests</b>	<b>(48,721)</b>	(66,450)	(26.7)
<b>Profit attributable to shareholders</b>	<b>321,701</b>	404,286	(20.4)
<b>Shareholders' interests</b>	<b>3,618,813</b>	3,687,095	(1.9)
<b>Total assets</b>	<b>6,070,042</b>	6,651,396	(8.7)
<b>Total liabilities</b>	<b>1,723,392</b>	2,255,213	(23.6)
<b>Non-controlling interests</b>	<b>727,837</b>	709,088	2.6
<b>Dividends declared for the financial year</b>	<b>322,855</b>	339,412	(4.9)

<b>Profitability ratios</b>	%	%	% points
Operating margin <sup>^</sup>	<b>30.0</b>	28.7	1.3
Return on operating revenue	<b>27.3</b>	33.3	(6.0)
Return on shareholders' funds	<b>8.9</b>	11.0	(2.1)

<b>Per share data</b>			%
Net assets attributable to shareholders (S\$)	<b>2.24</b>	2.28	(1.8)
Profit attributable to shareholders (S\$)	<b>0.20</b>	0.25	(20.0)
Dividends declared for the financial year (cents) <sup>##</sup>	<b>20</b>	21	(4.8)
Dividend cover for the financial year (times)	<b>1.0</b>	1.2	(16.7)

<b>Value added</b>	S\$	S\$	%
Per employee	<b>201,877</b>	203,756	(0.9)
Per \$ employment costs	<b>2.28</b>	2.26	0.9
Per \$ investment in property, plant and equipment (before depreciation)	<b>0.87</b>	0.87	-
Per \$ operating revenue	<b>0.73</b>	0.72	1.4

<sup>#</sup> This represents the recurring earnings of the media, property and other businesses.

<sup>^</sup> Computed based on recurring earnings.

<sup>##</sup> These dividends are tax-exempt. The proposed final dividend of 13 cents per share, comprising a normal dividend of 8 cents per share and a special dividend of 5 cents per share, is subject to approval by shareholders at the Annual General Meeting on December 1, 2015.

# Chairman's Statement

**Lee Boon Yang**  
Chairman



## SPH managed to turn in a creditable performance in Financial Year 2014/2015 with a net profit of \$321.7 million.

The past financial year witnessed considerable global market uncertainty and currency volatility. The Greek crisis, coupled with China's economic slowdown, impacted the world economy and Singapore too. SPH's performance was affected by these wider economic conditions.

Despite these unfavourable conditions, SPH managed to turn in a creditable performance in Financial Year 2014/2015 with a net profit of \$321.7 million. This represents a 20.4 per cent decrease compared to the last financial year. But this was mainly due to a lower fair value gain on investment properties and the one-off gain in the previous year from a partial divestment.

At the operating level, the Group performed respectably. Group recurring earnings of \$353.5 million was higher by \$4.5 million.

Revenue from the Media business was \$902.5 million, a \$60.9 million or 6.3 per cent decline from last year. This was attributable to declines in both advertising revenue (\$53.7 million or 7.4 per cent) and circulation revenue (\$10.1 million or 5.4 per cent).

The lower contribution from its Media business was cushioned by higher property revenue. The consistent efforts we have made over the years to diversify the Group's operations have paid dividends. We intend to continue to identify and evaluate growth opportunities and to pursue those that show good potential.

To reward our loyal shareholders, the Board has proposed a dividend of 13 cents per share, comprising a Normal Dividend of 8 cents per share and a Special Dividend of 5 cents per share in respect of the financial year ended 31 August 2015. We had earlier declared and paid an interim dividend of 7 cents per share.

FY2015 was also a special year as SPH celebrated Singapore's golden jubilee with a variety of events to engage the public. These included the Sing50 concert by The Straits Times and The Business Times, as well as the SG50 Sing-Along organised by our Chinese Media group. The Straits Times and Zaobao.com also celebrated their 170<sup>th</sup> and 20<sup>th</sup> anniversaries respectively.

### Enhancing our Core Media Products

We reorganised our newspaper divisions and transformed them into integrated operations, producing both print and digital content across all platforms and encompassing adjacent businesses. The renamed English/Malay/Tamil Media group, comprises not only the print and digital operations of The Straits Times, The Business Times, The New Paper, Berita Harian, Tamil Murasu and My Paper (English section), but also several media-related subsidiaries. These include book subsidiary The Straits Times Press, the two English stations of SPH Radio (Kiss92 and ONE FM 91.3), financial data company ShareInvestor, and SPH Data Services which commercialises the Straits Times Index.

### Group Net Profit

\$321.7m

### Group Operating Revenue

\$1,177m

# Chairman's Statement

The Chinese Media group now incorporates Focus Publishing, which publishes a range of books and magazines, and SPH Radio's Chinese station UFM100.3.

This is in addition to its three Chinese newspapers - Lianhe Zaobao, Lianhe Wanbao and Shin Min Daily News, together with four student weeklies, ZbBz Newgazette and My Paper (Chinese section).

The consolidation of our core media products and media-related subsidiaries promotes synergy and facilitates growth of our media adjacencies. All our newsrooms are now on the lookout for new lines of business without impacting negatively on their core business. This is particularly important in today's dynamic and evolving media landscape so that we remain relevant to all our stakeholders.

## Newspapers

SPH's total newspaper circulation, covering both print and digital editions, averaged 1,113,879 copies per day, a year-on-year increase of 4.3 per cent. This was achieved by reaching out to more readers on their mobile devices while continuing to excel in print. The total daily average circulation (print and digital) of The Straits Times and The Sunday Times registered year-on-year growth of 4.9 per cent to 481,700. Lianhe Zaobao achieved year-on-year increase of 2.5 per cent to 187,900 total daily average circulation.

As part of our continuous efforts to enhance our products and engage our readers, The Straits Times and The Business Times underwent major revamps. The digital apps and websites of both publications were refreshed to provide a faster, sharper and more stable user experience. More advertising opportunities are also available for advertisers across platforms. A new metered-paywall was introduced to

extend The Straits Times' reach to non-subscribers by giving them the opportunity to read a limited number of articles each month.

## Magazines

SPH Magazines has established itself as the Publisher of Choice with its sterling editorial content and award-winning designs over the years. Ninety of our magazines have launched digital editions, and this will continue to complement our stable of more than 100 titles of print offerings spanning a wide range of interests and genres. We continue to hold a leading position in magazine publishing in Asia with presence in Malaysia, Hong Kong, China, India, Indonesia, Thailand, the Philippines and Vietnam.

Focus Publishing, which publishes U-Weekly and Health No. 1, is also expanding with new special interest Chinese magazine titles such as UW Travel & Leisure magazine and Fabulous U.

## Digital Operations and Investments

The Group continued to make headway in the digital space. Our Digital Division achieved good growth in digital revenues from both advertising and content marketing as well as digital subscriptions. In May 2015, we signed a multi-year partnership with the world's largest content discovery platform Outbrain. By capitalising on Outbrain's data analytics, automation and personalisation technology, we are able to increase user engagement and revenue optimisation.

The Straits Times, Lianhe Zaobao, Lianhe Wanbao, together with news aggregator website AsiaOne and bilingual interactive web portal omy.sg, developed and launched Apple Watch applications. These apps put us at the forefront of the latest innovations and help our readers access the latest news on the go.

SPH invested in property analytics company, StreetSine, in November 2014. By merging its operations with STProperty, we offer consumers and real estate professionals a one-stop shop for all information around property-related transactions, empowering them to make better decisions.

We also invested in Qoo10, the number one ranked e-commerce website in Singapore. This will enhance our portfolio of digital assets and open up opportunities for future marketing collaborations. With the region's e-commerce market poised to grow, this investment puts us in a good position to tap on the industry's growth and be an active player in this e-commerce space.

As part of SPH's long term strategy to invest in innovative digital media companies which have synergies with our existing businesses, SPH Media Fund collaborated with Plug and Play and Infocomm Investments, a wholly-owned subsidiary of the Infocomm Development Authority (IDA) of Singapore, to launch an accelerator programme in April 2015. Called SPH Plug and Play, the programme will identify young companies with potential and nurture them into strong and sustainable businesses across media sectors ranging from advertising, e-commerce, marketplaces, mobile, news and content distribution to public relations.

Beyond Singapore, we continued to strengthen our regional presence in online marketplaces. In November 2014, 701Search, which operates the online classifieds companies Mudah.my (Malaysia) and Chotot.vn (Vietnam), partnered Naspers Limited, a broad-based multinational internet and media group specialising in e-commerce, pay-television and print media, to develop the online

classifieds platforms in Indonesia and Thailand. This is in addition to our earlier investments with Schibsted and Telenor, resulting in a four-way partnership that will bring substantial benefits to all parties.

### Radio

SPH Radio continued to grow from strength to strength. Kiss92, Singapore's only radio station targeting female listeners, achieved the highest growth in cumulative listenership among English radio stations in the latest Nielsen ratings. ONE FM 91.3 was also revamped focusing on male listeners over 30 years of age. Besides the latest songs, the station also offers up-to-date Sports and Men's lifestyle news. Our Chinese language station, UFM100.3, remains a popular choice for working professionals aged between 35 and 49 years.

### Diversifying our Businesses

Our efforts to diversify our businesses have made good progress. On the property front, our third property offering, The Seletar Mall, opened its doors to the public in November last year. SPH REIT, which comprises Paragon, our premier upscale retail mall and medical suite/office property located in the heart of Orchard Road, and The Clementi Mall, a suburban mall in Clementi, continued to perform well with 100 per cent occupied tenancy.

Sphere Exhibits, SPH's events and exhibitions arm, organised more than 30 exhibitions and conferences in Singapore, Malaysia, Myanmar and the Philippines in the past year. Sphere Conferences, which was set up to boost its presence in the local and regional MICE business, also made its foray into Sri Lanka and Indonesia by launching the Hospitality Investment Conference Indian Ocean and Hospitality Investment Conference Indonesia respectively.

Our Out-of-Home media advertising has continued to grow its product line and secured marketing rights to new advertising locations in the Central Business District and its fringes.

### Awards and Accolades

As the leading media organisation in Asia, SPH maintained its record of winning multiple accolades in various fields. The Straits Times, Lianhe Zaobao, The New Paper and "See The Big Picture" campaign, won a total of seven awards at the Asian Media Awards in April 2015. The Awards honour recipients with the highest publishing standards in the fields of newspaper and magazine design, infographics, printing, editorial content, marketing, community service and photojournalism.

Among them, the "See the Big Picture" campaign, which was organised in conjunction with SPH's 30<sup>th</sup> anniversary celebrations last year and featured autistic savant Stephen Wiltshire's "live" drawing at Paragon, garnered 14 regional and international awards, including for Best Brand Awareness, Best Consumer Event and Best in Community Service.

SPH Magazines also won a total of 16 awards at the Media Publishers Association Singapore (MPAS) Awards. Of these, eight titles received top honours in their respective categories.

### Corporate Social Responsibility

As a responsible corporate citizen, we have championed a growing diversity of programmes and initiatives to give back to society. SPH and SPH Foundation were honoured with the Corporate Platinum Award by the Community Chest for the sixth consecutive year. SPH also received the Patron of the Arts and a special SG50 Arts Patron Award from the National Arts Council for our long-standing support of local arts.

We are heartened that according to an Image Perception survey done by our research team at the end of 2014, 91 per cent of over 1,000 respondents were aware of SPH's active corporate social responsibility efforts. We will continue to ensure long term shareholder value by being a good corporate citizen.

For the fourth consecutive year, we have also included sustainability reporting into this annual report. We are constantly looking for ways to reduce the negative impact on the environment by lowering our carbon emissions and improving energy efficiency in our daily operations.

### A Special Word of Thanks

Our team of dedicated staff have worked tirelessly to achieve excellence. I want to thank them for their commitment and dedication. We continue to make every effort to recruit and develop our talents to their fullest potential as human capital remains our greatest asset.

On behalf of the directors, I would like to thank our management, staff, business associates, unions, investors and all other stakeholders for their continuous belief in, and support to, the Company.

We will continue to demonstrate adaptability and resilience, and pursue opportunities that position the Group for sustainable growth and value creation. I am confident that with the continued support of all our stakeholders, SPH can overcome obstacles that come our way as we continue to strive for organisational and business excellence.



**Lee Boon Yang**  
Chairman

# Board of Directors

**01 Lee Boon Yang**

Chairman  
Non-Executive and Independent Director

**02 Alan Chan Heng Loon**

Chief Executive Officer  
Executive and Non-Independent Director

**03 Janet Ang Guat Har**

Non-Executive and Independent Director

**04 Bahren Shaari**

Non-Executive and Independent Director

**05 Chong Siak Ching**

Non-Executive and Independent Director

**06 Ng Ser Miang**

Non-Executive and Independent Director

**07 Quek See Tiat**

Non-Executive and Independent Director

**08 Tan Chin Hwee**

Non Executive and Independent Director

**09 Tan Yen Yen**

Non-Executive and Independent Director

**10 Lucien Wong Yuen Kuai**

Non-Executive and Independent Director

01



02



03



04





05



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# Board of Directors

## Lee Boon Yang

Boon Yang was appointed a Director of SPH on 1 October 2011. He is the Non-Executive Chairman of Keppel Corporation Limited. He is also Chairman of Singapore Press Holdings Foundation Limited, Keppel Care Foundation Limited, Jilin Food Zone Pte Ltd and Jilin Food Zone Investment Holdings Pte Ltd.

He has extensive experience in public service. He served as Member of Parliament for Jalan Besar and Jalan Besar Group Representation Constituency (GRC) from December 1984 to April 2011. He was the Minister for Information, Communications and the Arts before retiring from political office in March 2009.

From 1991 to 2003, he served as Minister in the Prime Minister's Office, Minister for Defence, Minister for Labour and later Minister for Manpower. Prior to that, he held several public appointments including Senior Minister of State for Defence, National Development and Home Affairs, and Parliamentary Secretary to the Ministers for Environment, Finance, Home Affairs, and Communications and Information.

Before entry into politics, he worked as a veterinarian and R&D Officer in the Primary Production Department. He has also worked as the Assistant Regional Director for the US Feed Grains Council, and as Senior Project Manager for the Primary Industries Enterprise Pte Ltd.

Boon Yang holds a B.V.Sc Hon (2A) from the University of Queensland.

## Alan Chan Heng Loon

Alan joined SPH as its Group President on 1 July 2002, and was appointed Chief Executive Officer on 1 January 2003. He is responsible for managing the group's portfolio of businesses which include newspapers, magazines and book publishing; Internet & mobile; broadcasting; events and out-of-home advertising and properties.

Alan is currently on the boards of Singapore Press Holdings Ltd and its subsidiaries including SPH REIT Management Pte Ltd. He is also a Director of Singapore Press Holdings Foundation Limited, MediaCorp TV Holdings Pte Ltd, MediaCorp Press Ltd, Lan Ting Holdings Pte Ltd, Pavilion Energy Pte Ltd and Pavilion Gas Pte Ltd.

He currently chairs the External Review Panel for SAF Safety and the Singapore-China Foundation. He is also a member of the Public Service Commission (PSC), the Singapore Symphony Orchestra Council and the Centre for Liveable Cities' Distinguished Advisors' Panel; and a Director of Business China. He also serves on the boards of the Federation Internationale of Periodics Publishers and the World Association of Newspapers and News Publishers – IFRA (WAN-IFRA). He chaired the Council that revised the Code of Corporate Governance in 2012.

Before joining SPH, Alan was an Administrative Officer in the Civil Service. He has worked in the Government for 25 years and some of his previous appointments included Permanent Secretary of the Ministry of Transport, Deputy Secretary of the Ministry of Foreign Affairs, Principal Private Secretary to Senior Minister Lee Kuan Yew and Director of Manpower, Ministry of Defence.

Alan holds a Diplome d'Ingenieur from the Ecole Nationale de l'Aviation Civile, France and MBA (with Distinction) from INSEAD, France. He is a President's Scholar and was conferred the Public Administration Medal (Gold and Silver) and Meritorious Service Medal for his contributions to public service. In 2009, he was selected by INSEAD as "one of 50 Alumni who changed the world".



### Janet Ang Guat Har

Janet was appointed a Director on 17 October 2014.

Janet is the Vice-President of Systems of Engagement & Smarter Cities, IBM Asia Pacific, covering Australia & New Zealand, India, ASEAN and Korea. Prior to this role, Janet was the Managing Director of IBM Singapore from 2011 to 2015. In her 33 years in the industry, she has worked in Japan, China and Singapore, holding various senior leadership positions in IBM in management, sales, marketing and operations.

Janet serves on the boards of the Public Utilities Board (PUB), the InfoComm Development Authority (iDA), the NUS Institute of Systems Science (ISS), the National Volunteer & Philanthropy Center (NVPC), and is the Chairperson of Caritas Singapore. Janet is a member of Business China, a Fellow of the Singapore Computer Society (SCS) and the President of the International Women's Forum (IWF) Singapore.

She also served on various committees including the recent Medishield Life Review Committee and the Women's Health Advisory Committee (WHAC).

Janet holds a Business Administration (Hons) degree from NUS Business School. She was a recipient of the NUS Business School Eminent Alumni Award in 2014.

### Bahren Shaari

Bahren was appointed to the Board on 1 April 2012. He is the Chief Executive Officer of the Bank of Singapore, and before that, was its Managing Director and Marketing Head of South East Asia. He has more than 20 years of private banking experience in global financial institutions. He is also a Director of BOS Securities Korea.

Prior to joining Bank of Singapore, he was Managing Director of UBS AG Wealth Management where he headed the South East Asia and Australia Marketing team. He is active in public service and was a board member of the Maritime Port Authority of Singapore for 11 years. In 2008, he was conferred the Public Service Medal by the President of Singapore.

Bahren graduated with a Bachelor of Accountancy from the National University of Singapore. He attended the Advance Management Program of Wharton Business School and Columbia University.

### Chong Siak Ching

Siak Ching was appointed a Director of SPH on 22 October 2010. She is the Chief Executive Officer and a Board Director of the National Gallery Singapore. She was recognised as the 'Outstanding CEO of the Year' in the Singapore Business Awards 2009.

She is also a Director of Singapore-India Partnership Foundation, a member of the National Arts Council, NUS Board of Trustees and Yale-NUS College Governing Board. She is also the Non-Resident Ambassador-designate to Chile.

She was President and Chief Executive Officer of Ascendas Pte. Ltd and served in the Ascendas group of companies from 2000 to 2013. Prior to this, she was Deputy Chief Executive Officer of JTC Corporation from 2000 to 2001.

Siak Ching graduated from the National University of Singapore (NUS) with an Honours Degree in Estate Management. She also has a Masters in Business Administration from NUS and has completed the Advance Management Program at Harvard Business School. She was conferred a Distinguished Alumni Award by NUS in the Faculty of Architecture and Building Management in 1999. In 2009, she was again conferred a NUS Distinguished Alumni Service Award in recognition of her unwavering commitment and service to her alma mater.

# Board of Directors

## Ng Ser Miang

Ser Miang joined the SPH Board on 1 August 2007. He is the Chairman of TIBS International Pte Ltd and a Director of Yanlord Land Group Ltd. He is also the Chairman of the Board of Trustees of Fundacion Valencia Club de Futbol De La C.V., and a Director of Valencia Club de Futbol, S.A.D.

He was a Director of TIBS Ltd, SMRT Ltd, Biosensors International Group Ltd, International Factors (Singapore) Ltd, Transpac Industrial Holdings Limited and WBL Corporation Ltd. He was the Chairman of NTUC Fairprice Co-operative Limited, NTUC Choice Homes Co-operative Limited and NTUC Fairprice Foundation Ltd.

Ser Miang is Singapore's non-resident Ambassador to the Kingdom of Norway, Chairman of the Singapore Olympic Foundation, a member of the International Olympic Committee (IOC) and Chairman of the IOC Finance Commission. He was a former Nominated Member of Parliament and a former non-resident Ambassador to the Republic of Hungary. He was Chairman of the Inaugural Youth Olympic Games in Singapore in 2010. He was Vice President of IOC from 2009 to 2013.

He was named Outstanding Chief Executive of the Year 1992. In addition to the Public Service Star in 1999, he was conferred the Meritorious Service Medal (Pingat Jasa Gemilang) by the Singapore Government for the National Day Awards in 2010. He was also conferred the Meritorious Award Commander's Cross by the President of Hungary in 2012.

Ser Miang holds a BBA (Honours) from the University of Singapore.

## Quek See Tiat

See Tiat joined the SPH Board on 1 September 2013.

From 1 July 1987 to 30 June 2012, See Tiat was a Partner and subsequently Deputy Chairman of PricewaterhouseCoopers LLP. He has extensive audit and business advisory experience, and has been involved in planning, executing and managing audits of large public listed companies in Singapore.

See Tiat is the Chairman of the Building and Construction Authority and serves on the boards of the Monetary Authority of Singapore, Energy Market Authority, Singapore Technologies Engineering Ltd and Neptune Orient Lines Ltd. He is also the Deputy President of the Council of Estate Agencies.

See Tiat graduated with Honours (Second Class Upper) in Economics from the London School of Economics & Political Science. He is also a Fellow with the Institute of Chartered Accountants in England and Wales. He was conferred the Public Service Medal in 2009 and the Public Service Star in 2014.

## Tan Chin Hwee

Chin Hwee was appointed a Director on 1 March 2014. He is the founding partner and a Director of Apollo Management Singapore Pte Ltd.

He is a Director of Keppel REIT Management Limited (as manager of Keppel REIT), Lien Aid Limited (Singapore), KKH Health Endowment Fund; and on the Board of Trustees of the Nanyang Technological University. Chin Hwee is an Adjunct Professor in a number of universities, and is an advisory board member for the Shanghai Advance Institute of Finance and Shanghai Jiao Tong University. He also serves on the Finance Centre Advisory Panel of the Monetary Authority of Singapore. Chin Hwee was the Managing Director of Amaranth Advisors, as well as President and Director of CFA Singapore.

Chin Hwee holds a Bachelor of Accountancy (Second Class Upper Honours) from Nanyang Technological University, and a MBA from Yale University. He completed a postgraduate course at Harvard Kennedy School. He is a Chartered Financial Analyst (CFA) and is both an Australian and Singapore registered Certified Public Accountant (CPA).

Chin Hwee was honoured as a World Economic Forum Young Global Leader 2010 and is the winner of the Singapore 2013 Distinguished Financial Industry Certified Professional (FICP) Award. He was also voted by the Hedge Fund Journal as among the emerging top 40 absolute return investors globally and was also named as Best Asia Credit Hedge Fund Manager by Hong Kong-based publication, The Asset.

### Tan Yen Yen

Yen Yen joined the Board on 1 April 2012. She is currently the Regional Vice-President and Managing Director of SAS South Asia Pacific, SAS Institute Inc.

She is the Chairman of the Singapore Science Centre, a member of the Defence Science & Technology Agency (DSTA) Board, and Director of Cap Vista Pte Ltd and Gemalto NV. Additionally, she sits on the Board of Advisors of the Singapore Institute of Directors. She is a member of the National University of Singapore's School of Computing.

Prior to joining SAS, she was Senior Vice President, Applications, Oracle Corporation Asia Pacific, and Vice President and Managing Director for Hewlett-Packard Singapore.

Yen Yen has played an active role in Singapore's infocomm industry, having served as Chairman of the Singapore Infocomm Technology Federation and Deputy Chairperson on the Ministry of Information, Communications and the Arts (MICA) Internet and Media Advisory Committee. She was also a member of the Government Parliamentary Council of MICA and the Economic Strategies Committee's IT Working Group subcommittee and the Singapore Institute of Management's International Academic Panel. She is in the Ministry of Culture, Community and Youth's High Performance Sports Performance & Selection Sub-Committee that steers the development of High Performance Sports in Singapore. She is also a member of ASEAN Para Games Organising Steering Committee.

Yen Yen has a degree in Computer Science from the National University of Singapore and an Executive MBA degree with Helsinki School of Economics Executive Education.

### Lucien Wong Yuen Kuai

Lucien was appointed a Director on 15 October 2009. He is the Chairman and Senior Partner of the law firm, Allen & Gledhill LLP, and has extensive experience in legal practice, specialising in banking, corporate and financial services work.

He is currently Chairman of the Maritime and Port Authority of Singapore and Singapore International Arbitration Centre. He is a member of the Board of Trustees of Singapore Business Federation, and a Director of Singapore Health Services Pte Ltd and Singapore International Mediation Centre Limited. He also sits on the boards of Temasek Holdings (Private) Limited, Hap Seng Plantations Holdings Berhad and Singapore Airlines Limited.

Lucien holds a Bachelor of Law (2nd Class Upper) Honours degree from the University of Singapore and was called to the Singapore Bar in 1979.

## Further Information on Board of Directors

Lee Boon Yang	Alan Chan Heng Loon	
Chairman Non-Executive and Independent Director	Chief Executive Officer Executive and Non-Independent Director	
<b>Date of first appointment as a director:</b> 1 October 2011 <b>Date of last re-election as a director:</b> 29 November 2013	<b>Date of first appointment as a director:</b> 1 July 2002 <b>Date of last re-election as a director:</b> 2 December 2014	<b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> - Lee Kuan Yew Fund for Bilingualism (Member) - Singapore Power Ltd. (Director) - SP PowerAssets Ltd. (Chairman) - PowerGas Ltd. (Chairman)
<b>Board Committee(s) served on:</b> - Executive Committee (Chairman) - Remuneration Committee (Chairman) - Nominating Committee	<b>Board Committee(s) served on:</b> - Executive Committee	* <i>Public-listed company</i>
<b>Current Directorships/Principal Commitments</b> - Keppel Corporation Limited* (Chairman) - Keppel Care Foundation Limited (Chairman) - Singapore Press Holdings Foundation Limited (Chairman) - Jilin Food Zone Pte. Ltd (Chairman) - Jilin Food Zone Investment Holdings Pte. Ltd. (Chairman)	<b>Current Directorships/Principal Commitments</b> - Singapore Press Holdings Foundation Limited (Director) - SPH REIT Management Pte. Ltd. (Director) (as Manager of SPH REIT*) - MediaCorp Press Ltd. (Director) - MediaCorp TV Holdings Pte. Ltd. (Director) - External Review Panel for SAF Safety (Chairman) - Centre for Liveable Cities (Member) - Singapore-China Foundation Ltd. (Chairman) - Business China (Director) - Lan Ting Holdings Pte. Ltd. (Director) - Pavilion Energy Pte. Ltd. (Director) - Pavilion Gas Pte. Ltd. (Director) - World Association of Newspapers - IFRA (Director) - Federation Internationale of Periodics Publishers (Member) - Public Service Commission (Member) - Singapore Symphony Orchestra Council (Member)	
<b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> Nil		
* <i>Public-listed company</i>		

Janet Ang Guat Har	Bahren Shaari	Chong Siak Ching
Non-Executive and Independent Director	Non-Executive and Independent Director	Non-Executive and Independent Director
<b>Date of first appointment as a director:</b> 17 October 2014 <b>Date of last re-election as a director:</b> 2 December 2014	<b>Date of first appointment as a director:</b> 1 April 2012 <b>Date of last re-election as a director:</b> 30 November 2012	<b>Date of first appointment as a director:</b> 22 October 2010 <b>Date of last re-election as a director:</b> 2 December 2014
<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Audit Committee<sup>®</sup></li> <li>- Board Risk Committee<sup>®</sup></li> </ul>	<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Audit Committee (Chairman)</li> <li>- Executive Committee<sup>®</sup></li> </ul>	<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Nominating Committee</li> <li>- Remuneration Committee<sup>®</sup></li> </ul>
<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- IBM Singapore Pte. Ltd. (Director)</li> <li>- Caritas Singapore (Chairperson)</li> <li>- InfoComm Development Authority of Singapore (Board Member)</li> <li>- National Volunteer &amp; Philanthropy Centre (Board Member)</li> <li>- Public Utilities Board (Board Member)</li> <li>- NUS Institute of Systems Science (ISS) (Board Member)</li> <li>- Business China (Director)</li> <li>- International Women's Forum (IWF) Singapore (President)</li> </ul> <b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> <ul style="list-style-type: none"> <li>- Nil</li> </ul>	<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- Bank of Singapore Ltd. (Director)</li> <li>- BOS Securities Korea (Director)</li> </ul> <b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> <ul style="list-style-type: none"> <li>- Maritime and Port Authority of Singapore (Member)</li> </ul>	<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- National Gallery Singapore (Chief Executive Officer &amp; Director)</li> <li>- National University of Singapore (Trustee)</li> <li>- Yale-NUS College Governing Board (Member)</li> <li>- National Arts Council (Council Member)</li> <li>- Singapore-India Partnership Foundation (Director)</li> <li>- Non-Resident Ambassador-designate to Chile</li> </ul>
<sup>®</sup> Appointed on 2 December 2014	<sup>®</sup> Appointed on 2 December 2014	

## Further Information on Board of Directors

Chong Siak Ching	Ng Ser Miang	Quek See Tiat
Non-Executive and Independent Director	Non-Executive and Independent Director	Non-Executive and Independent Director
<p><b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b></p> <ul style="list-style-type: none"> <li>- Ascendas Pte Ltd (Director)</li> <li>- Standards, Productivity and Innovation Board (SPRING) (Deputy Chairman)</li> <li>- Ascendas Funds Management (S) Limited (as Manager of Ascendas Real Estate Investment Trust*) (Deputy Chairman)</li> <li>- Ascendas Property Fund Trustee Pte. Ltd. (as Trustee-Manager of Ascendas India Trust*) (Director)</li> <li>- Ascendas Hospitality Fund Management Pte Ltd (as Manager of Ascendas Hospitality Trust*) (Director)</li> <li>- Ascendas Hospitality Trust Management Pte Ltd (as Trustee-Manager of Ascendas Hospitality Trust*) (Director)</li> <li>- Frasers Property (China) Limited*# (Director)</li> <li>- Singapore Business Federation (Deputy Honorary Treasurer)</li> <li>- Jurong Health Services Pte. Ltd. (Director)</li> </ul>	<p><b>Date of first appointment as a director:</b> 1 August 2007</p> <p><b>Date of last re-election as a director:</b> 29 November 2013</p>	<p><b>Date of first appointment as a director:</b> 1 September 2013</p> <p><b>Date of last re-election as a director:</b> 29 November 2013</p>
<p>® Appointed on 2 December 2014</p> <p>* Public-listed</p> <p># Company listed on the Hong Kong Stock Exchange Ltd</p>	<p><b>Board Committee(s) served on:</b></p> <ul style="list-style-type: none"> <li>- Nominating Committee (Chairman)<sup>®</sup></li> </ul>	<p><b>Board Committee(s) served on:</b></p> <ul style="list-style-type: none"> <li>- Board Risk Committee (Chairman)</li> <li>- Executive Committee<sup>®</sup></li> <li>- Audit Committee</li> </ul>
	<p><b>Current Directorships/Principal Commitments</b></p> <ul style="list-style-type: none"> <li>- TIBS International Pte Ltd (Chairman)</li> <li>- Yanlord Land Group Limited* (Director)</li> <li>- Singapore Olympic Foundation (Chairman)</li> <li>- Fundacion Valencia Club de Futbol De La C.V. (Chairman)</li> <li>- Valencia Club de Futbol, S.A.D. (Director)</li> </ul>	<p><b>Current Directorships/Principal Commitments</b></p> <ul style="list-style-type: none"> <li>- Singapore Technologies Engineering Ltd* (Director)</li> <li>- Neptune Orient Lines Ltd* (Director)</li> <li>- Building and Construction Authority (Board Member/ Chairman)</li> <li>- Monetary Authority of Singapore (Board Member)</li> <li>- Energy Market Authority (Board Member)</li> <li>- Council of Estate Agencies (Deputy President)</li> </ul>
	<p><b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b></p> <ul style="list-style-type: none"> <li>- NTUC Fairprice Co-operative Limited (Chairman)</li> <li>- NTUC Fairprice Foundation Ltd (Chairman)</li> <li>- WBL Corporation Limited* (Chairman)</li> <li>- NTUC Choice Homes Co-operative Limited (Chairman)</li> </ul>	<p><b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> Nil</p>
	<p>® Appointed on 2 December 2014</p> <p>* Public-listed company</p>	<p>® Appointed on 2 December 2014</p> <p>* Public-listed company</p>

Tan Chin Hwee	Tan Yen Yen	Lucien Wong Yuen Kuai
Non-Executive and Independent Director	Non-Executive and Independent Director	Non-Executive and Independent Director
<b>Date of first appointment as a director:</b> 1 March 2014 <b>Date of last re-election as a director:</b> 2 December 2014	<b>Date of first appointment as a director:</b> 1 April 2012 <b>Date of last re-election as a director:</b> 30 November 2012	<b>Date of first appointment as a director:</b> 15 October 2009 <b>Date of last re-election as a director:</b> 2 December 2014
<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Audit Committee</li> <li>- Board Risk Committee</li> </ul>	<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Remuneration Committee</li> <li>- Board Risk Committee</li> </ul>	<b>Board Committee(s) served on:</b> <ul style="list-style-type: none"> <li>- Executive Committee</li> <li>- Remuneration Committee</li> <li>- Nominating Committee<sup>®</sup></li> </ul>
<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- Apollo Management Singapore Pte. Ltd. (Director)</li> <li>- Keppel REIT Management Limited (as manager of Keppel REIT*) (Director)</li> <li>- Lien Aid Limited (Director)</li> <li>- KKH Health Endowment Fund (Director)</li> <li>- Lighthouse (Mauritius) Ltd (Director)</li> <li>- Mt Sinai Capital Pte. Ltd. (Director)</li> <li>- Nanyang Technological University (Trustee)</li> <li>- Shanghai Advance Institute of Finance (Advisory Board Member)</li> <li>- Shanghai Jiao Tong University (Advisory Board Member)</li> <li>- Monetary Authority of Singapore (Finance Centre Advisory Panel)</li> </ul>	<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- Singapore Science Centre (Chairman)</li> <li>- Defence Science &amp; Technology Agency (Director)</li> <li>- Cap Vista Pte Ltd (Director)</li> <li>- Gemalto NV<sup>®</sup> (Director)</li> <li>- National University of Singapore's School of Computing (Member)</li> <li>- TNF Ventures (Advisor Mentor)</li> <li>- Singapore Institute of Directors (Director)</li> <li>- Ministry of Culture, Community and Youth High Performance Sports, Performance &amp; Selection Committee (Member)</li> </ul>	<b>Current Directorships/Principal Commitments</b> <ul style="list-style-type: none"> <li>- Hap Seng Plantations Holdings Berhad* (Director)</li> <li>- Singapore Airlines Limited* (Director)</li> <li>- Maritime and Port Authority of Singapore (Chairman)</li> <li>- Temasek Holdings (Private) Limited (Director)</li> <li>- Singapore International Arbitration Centre (Chairman)</li> <li>- Singapore International Mediation Centre Limited (Director)</li> <li>- Eastern Development Private Limited (Director)</li> <li>- Eastern Development Holdings Pte. Ltd. (Director)</li> <li>- Allen &amp; Gledhill LLP (Chairman and Senior Partner)</li> <li>- Singapore Health Services Pte. Ltd. (Director)</li> <li>- Singapore Business Federation (Trustee)</li> </ul>
<b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> <ul style="list-style-type: none"> <li>- CFA Singapore (President &amp; Director)</li> <li>- Panel for Government Parliamentary Committee for Finance and Trade and Industry (Member)</li> <li>- Advisory Panel for Volunteer Youth Corp, Ministry of Community, Culture and Youth (Member)</li> </ul>	<b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> <ul style="list-style-type: none"> <li>- Singapore Institute of Management International Academic Panel (Member)</li> <li>- Ministry of Communications &amp; Information – Infocomm Media Masterplan's Talent and Manpower Working Committee (Member)</li> <li>- Ministry of Culture, Community and Youth – ASEAN Para Games Steering Committee (Member)</li> </ul>	<b>Directorships over the past 3 years (1/9/12 - 31/8/15)</b> <ul style="list-style-type: none"> <li>- Linklaters Allen &amp; Gledhill Pte. Ltd. (Director)</li> <li>- Monetary Authority of Singapore (Board Member)</li> <li>- Cerebos Pacific Limited* (Director)</li> </ul>
* Public-listed company	<sup>®</sup> Listed in NYSE Euronext Amsterdam, and NYSE Euronext Paris	<sup>®</sup> Appointed on 2 December 2014 * Public-listed company

# Senior Management

01 Patrick Daniel

02 Leslie Fong Yin Leong

03 Tony Mallek

04 Low Huan Ping

05 Ginney Lim May Ling

06 Anthony Tan

07 Deborah Lee Siew Yin

08 Mable Chan Kam Man

09 Chua Wee Phong

10 Elsie Chua

11 Warren Fernandez

12 Goh Sin Teck

13 Seow Choke Meng

14 Loh Yew Seng

15 Janice Wu Sung Sung

16 Lim Swee Yeow

17 Julian Tan Woon-Ka

18 Susan Leng Mee Yin

19 Chua Boon Ping

20 Sim Say Nee







# Senior Management

## Patrick Daniel

Editor-in-Chief, English/Malay/Tamil Media group

Patrick was appointed Editor-in-Chief of the English & Malay Newspapers Division of SPH in January 2007. The division was renamed English/Malay/Tamil Media group in January 2015, incorporating both the print and digital operations, as well as business adjacencies. Prior to being

Editor-in-Chief, he was Managing Editor of the division from September 2002, and Editor of The Business Times from May 1992. He joined The Straits Times in October 1986 from the Singapore Government's Administrative Service where his last position was Director in the Ministry of Trade and Industry.

Patrick chairs three SPH subsidiaries – SPH Radio, Straits Times Press and Shareinvestor.com Holdings Pte Ltd - and is a director of

SPH Magazines, and Tamil Murasu Ltd. He also serves on the boards of the National University Health System and the Singapore University of Technology and Design.

Patrick graduated from University College, Oxford in 1976 with a Bachelor of Arts (Honours) in Engineering Sciences and Economics. He also has a Masters in Public Administration from the John F. Kennedy School of Government, Harvard University.

## Leslie Fong Yin Leong

Senior Executive Vice-President, Marketing

Leslie went to Trafalgar Primary School and then Raffles Institution. After obtaining his Higher School Certificate, family circumstances made it necessary for him to start working life.

He joined The Straits Times in August 1969 and has stayed with the company ever since. Between 1983 and 1986, he was seconded to Shin Min Daily News, where he became its de-facto Chief Editor. He became Editor of The Straits Times in 1987 at the age of 37.

He handed over editorship to Han Fook Kwang in September 2002 and became Editor-at-Large with special responsibilities for China.

In April 2005, he took over as Head of Marketing Division and was promoted to Senior Executive Vice-President, Marketing in January 2008.

Leslie also holds chairman positions in New Beginnings Management Consulting (Shanghai) Company Ltd, sgCarMart and StreetSine.

## Tony Mallek

Chief Financial Officer

Tony is the Chief Financial Officer for SPH. Before this appointment in January 2010, he served as Executive Vice-President, Finance from July 2006 and Senior Vice-President, Finance when he joined in June 2003.

Prior to this, he was General Manager, Finance for Intraco Limited from 1999 to 2001. Originally from Hong Kong, he started his career in 1978 in the United Kingdom and has been with various US multinationals until 1991 when he was posted to Singapore.

His Singapore experience has mainly been in the healthcare industry, including general manager positions in finance and business development for Parkway Holdings Limited from 1994 to 1997.

Tony is a director of SPH REIT Management Pte Ltd, as manager of SPH REIT.

Tony holds a Bachelor of Technology (Honours) degree in Operations Management from The University of Bradford and is a Fellow of the Chartered Institute of Management Accountants. He was elected to the Council of Institute of Singapore Chartered Accountants (ISCA) in 2014.

**Low Huan Ping**

Executive Vice-President,  
Technology (IT & Production)

Huan Ping is the Executive Vice-President, Technology (IT & Production).

He has been with the Group since 1987. Huan Ping is also a director

of M1 Limited, iFast Corporation Pte Ltd, MediaCorp Press Ltd and Shareinvestor.com Holdings Pte Ltd.

Huan Ping started his career at the Ministry of Defence, where he subsequently headed various IT departments.

Huan Ping holds a Bachelor of Arts (Honours) and Master of Arts from

Cambridge University, where he read Engineering and a Master of Science from the National University of Singapore. He also graduated from Harvard Business School's Advanced Management Program. Since May 2012, he also oversees the Production Division.

**Ginney Lim May Ling**

General Counsel; Executive Vice-President, Corporate Communications & CSR, & Group Company Secretary

Ginney is General Counsel; Executive Vice-President, Corporate Communications & CSR, and Group Company Secretary of SPH. She is also the General Manager of Singapore Press Holdings Foundation Limited, an Institution of Public Character established in 2003 by SPH.

When she joined SPH in 1991, she was tasked to set up the Secretariat/Legal Division. She is responsible for the corporate secretarial, legal, risk management, insurance and corporate communications functions in the SPH Group and sits on several steering and senior management committees. Ginney is a director of Times Development Pte Ltd, Orchard 290 Ltd, SPH Retail Property Management Services Pte Ltd and SPH REIT Management Pte Ltd, all of which are wholly-owned property subsidiaries of SPH. She is also a director of Waterbrooks Consultants Pte Ltd and an alternate director in MediaCorp Press Limited.

Prior to joining SPH, Ginney was heading the Legal & Secretariat department as well as the public relations section of NTUC Income.

Ginney was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1985 and holds a Bachelor of Law (Honours) degree from the National University of Singapore. She is also a Fellow in the Institute of Chartered Secretaries and Administrators and an Associate of the Chartered Insurance Institute.

**Anthony Tan**

Executive Vice-President  
Chinese Media group

Anthony joined SPH as Executive Vice-President, Chinese Media group in February 2015.

Prior to joining SPH, Anthony was Deputy Secretary (Policy), Ministry of Health and concurrently Special Assistant to the late Mr Lee Kuan Yew (2011-2014). During his career with the Singapore Public Service spanning more than 15 years, he served in various organisations including the Ministries of Finance, Home Affairs, Manpower as well as the People's Association.

Anthony currently serves on the IDA International Board and on the boards of several SPH subsidiaries.

Anthony graduated from the National University of Singapore in 1997 with a Bachelor of Social Science (Honours) in Political Science. He also has a Management of Science (Management) degree from the Stanford Business School.

# Senior Management

## Deborah Lee Siew Yin

Executive Vice-President,  
Corporate Development

Deborah joined SPH as Executive Vice-President, Corporate Development in April 2007. Prior to joining SPH, she was a consultant, specialising in corporate development work and mergers and acquisitions.

Before her consultancy work, Deborah was Senior Vice-President, Business Development at the Wuthelam Group, overseeing the establishment of the industrial electronics business, real estate business development and private equity investment for the Group in the region.

Deborah started her career as an auditor with Pricewaterhouse

and subsequently joined Hewlett Packard, holding various management positions over a period of 11 years.

She holds a Bachelor of Accountancy (Honours) and a Master in Applied Finance from the National University of Singapore. She is a CFA charterholder.

## Mable Chan Kam Man

Executive Vice-President,  
Human Resources, Administration  
and Times Properties

Mable has been with SPH since 1997. Before taking over as Head of Human Resources Division in June 2006, she was Senior Vice-President, Customer Service Department, Marketing Division.

The Administration Division and Times Properties were added to her portfolio in 2014 and 2015 respectively.

Prior to joining SPH, Mable was the Executive Director of the Marketing Institute of Singapore.

She holds a Bachelor of Applied Science degree from the South Australian Institute of Technology and a Masters in Business Administration from the National University of Singapore.

## Chua Wee Phong

Executive Vice-President,  
Circulation

Wee Phong has been with SPH for 21 years. He joined Circulation in May 1994 and was appointed Division Head in May 2005. He is currently the Chairman of Sphere Exhibits Pte Ltd.

Prior to joining SPH, Wee Phong served in the Singapore Armed Forces (SAF) for a period of 13 years. He was promoted to the rank of Colonel in 2005.

He was awarded the Public Administration Medal (Bronze) (Military) in August 2007.

Wee Phong graduated from the National University of Singapore with a Bachelor of Arts (Honours) in Sociology on an SAF scholarship.

**Elsie Chua**Executive Vice-President,  
and Head, Marketing

Elsie is Executive Vice-President, Head of Marketing at SPH. She brings to SPH more than 30 years of experience in sales and marketing as well as general management in the fashion, retail and sporting goods business in Singapore, Malaysia and Indonesia.

In SPH, Elsie has helmed various leadership roles within the Marketing Division, from Marketing Planning and Development, to Print and Online Classifieds, Display Advertisements and Integrated Sales. She is also a director and alternate Chairman of online car classifieds subsidiary sgCarMart.

Prior to joining SPH, Elsie held numerous leadership roles in the Royal Sporting House Group, managing sports brands like Reebok, Speedo and Ellesse. She has also set up and ran the business for upmarket fashion brands like Daks, Mandarin

Duck, Faconable, Tanino Crisci and Prima Classe. Elsie started her career in Cycle and Carriage doing Marketing & Research before embarking on Advertisement sales in The Sunday Times and The New Paper.

Elsie holds a Bachelor of Arts degree majoring in Economics and Sociology from the National University of Singapore and a Masters of Business, International Marketing from Curtin University. She has a Diploma in Marketing from the Chartered Institute of Marketing and a Diploma in Financial Management from the Singapore Institute of Management.

**Warren Fernandez**

Editor, The Straits Times

Warren is Editor of The Straits Times, Singapore's largest selling English daily newspaper. He joined the newspaper in 1990 as a political reporter and rose to become News Editor. He later also served as Foreign Editor and Deputy Editor. He left to join Royal Dutch Shell in 2008 as a Global Manager for its Future Energy project, before returning to The Straits Times in February 2012 as its editor.

He graduated with First Class Honours from Oxford University, where he read Philosophy, Politics and Economics, and also has a Masters in Public Administration from Harvard University's John F. Kennedy School of Government. Both degrees were obtained on Singapore Press Holdings scholarships.

He has written several books, including "Lee Kuan Yew: the Man and his Ideas"; "Thinking Allowed: Fear, Politics and Change in Singapore"; "Without Fear or Favour: 50 years of the Public Service Commission"; "Our Homes: 50 years of housing a nation";

"Men for Others"; and most recently, "Lead Your Life!". He was also part of the editorial team that assisted Mr Lee Kuan Yew with his two part memoirs, "The Singapore Story".

He has served on various national committees, including the Cost Review Committee; the Remaking Singapore Committee; Singapore 21 and Compass, as well as on the boards of directors for the National Environment Agency, the Civil Service College and the Energy Studies Institute. Currently he is a board member of the National Parks Board, National Heritage Board, and Straits Times Press.

**Goh Sin Teck**

Editor, Lianhe Zaobao

Sin Teck joined SPH's Chinese flagship paper, Lianhe Zaobao, in 1987 upon graduating from the National University of Singapore with a Bachelor of Arts in Sociology.

He worked his way up as a crime reporter to become the Editor of Lianhe Zaobao and the Consulting Editor of My Paper (Chinese Section), Singapore's first and only bilingual free-sheet. He also oversees Zaobao.com, the online edition of Lianhe Zaobao.

Sin Teck presently serves on the boards of URA and the NTU's Board of Trustees and is a member of the National Integration Council, and National Translation Council.

# Senior Management

## Seow Choke Meng

Business Consultant, Chinese Media and Times Properties

Choke Meng has been with the newspaper group for the last 36 years after spending five years in the airline industry.

He has held various positions, including General Manager, Human Resource Operations and General Manager, Circulation cum General Manager of Chinese Newspapers' Editorial Services Department.

Choke Meng is currently the Business Consultant of Chinese Media and Times Properties. Apart from serving in grassroots and community organisations, he is Chairman of

the Promote Mandarin Council and a Board Member of the National Healthcare Group. He is also a Honorary Council member of the Singapore Chinese Chamber of Commerce & Industry, and a member of the Board of Trustees at the Chinese Development Assistance Council.

Choke Meng graduated from the University of Singapore with a Bachelor of Science (Honours) degree.

## Loh Yew Seng

Chief Executive Officer, SPH Magazines Pte Ltd

Yew Seng was appointed Chief Executive Officer of SPH Magazines Pte Ltd in June 2006. He joined SPH

in July 2001 and was Vice-President of Finance and Chief Financial Officer for the magazines business group before his current appointment.

Yew Seng began his career in 1994 with Arthur Andersen and held notable corporate finance and

financial analyst positions in Banque International à Luxembourg, Van der Horst Limited and Visa International.

He holds a Bachelor of Accountancy (Honours) from Nanyang Technological University and has been a CFA charterholder since 1999.

## Janice Wu Sung Sung

Senior Vice-President, Media Strategy and Analytics

Janice heads the Media Strategy and Analytics Division. Janice has held various positions across divisions in SPH in the last 17 years, with stints in Legal/Secretariat,

SPH AsiaOne Ltd and Corporate Development. She was actively involved in legal advisory work, M&A transactions, joint ventures, property acquisitions and corporate planning. She also serves as director of SPH subsidiaries including SPH Magazines, sgCarMart and The Seletar Mall.

Janice graduated from the National University of Singapore with a Bachelor of Law (Honours) Degree and is qualified as an advocate and solicitor of the Supreme Court of Singapore. Prior to joining SPH as legal counsel, she was in private legal practice and legal counsel in the Ministry of Defence.

## Lim Swee Yeow

Senior Vice-President, Production

Swee Yeow has been with SPH for 15 years. He joined Production in January 2000 as Production Manager. Throughout his career with SPH, he helmed various sections in Operations, Engineering, Materials and Newsprint purchases.

He was appointed Division Head in September 2011.

He was involved in major projects with the company's printing presses and print processes such as the GOSS Colorliner upgrades (2011), manroland Uniset (2008) and KBA Commander (2002). He was also responsible for building the state-of-art printing presses and mailroom systems.

Swee Yeow graduated with a Bachelor of Science in Industrial and Manufacturing Engineering from Oregon State University, USA. He also holds a Higher National Diploma in Printing and Publishing Production from London College of Printing, UK.

**Julian Tan Woon-Ka**

Head, Digital Division

Julian was appointed as the Head of SPH's newly created Digital Division in March 2015. He is responsible for spearheading the Company's strategy and growth in the digital space.

Before this, Julian was the Chief Executive Officer of 701Search Pte Ltd, a regional online classifieds joint venture company between

SPH, Norway's Schibsted Classified Media and Telenor. Responsible for the strategic development and growth of the company in Southeast Asia and Greater China, he grew the business from a start-up in a single location to a regional company with a strong footprint in the region, in a span of seven years.

In 2007, Julian was the Chief Operating Officer of SPH Search Pte Ltd, an online local search and directory business. Before that,

he was in the Corporate Development Division of SPH where he played a pivotal role in developing strategies and business plans for SPH's push into the Internet and mobile worlds.

Julian graduated with First Class Honours in Economics from the London School of Economics and Political Science and earned two Executive Masters of Business Administration (EMBA) degrees from INSEAD and Tsinghua University in 2009.

**Susan Leng Mee Yin**

Chief Executive Officer, SPH REIT

Susan was appointed CEO of SPH REIT in 2013. She has 18 years of shopping centre management and property development experience and eight years of accounting and finance experience.

Susan began her career as an auditor with Coopers & Lybrand and her last appointment was Accounting Manager with Scotts Holdings Limited before she made a career change to shopping centre management in 1992. Since then, she has held various appointments, including General Manager of Scotts Shopping Centre, Director of Retail Management with Far East Organisation and General Manager of Capitol Investment Holdings.

She was also the General Manager of Orchard 290 Ltd, a wholly-owned subsidiary of SPH, from 1997 to 2004. She was a pioneer member of the management team which redeveloped Paragon and The Promenade into one fully integrated high-end premier shopping mall with a prestigious office and medical tower.

She is Fellow of the Chartered Association of Certified Accountants (FCCA), UK.

**Chua Boon Ping**

Chief Executive Officer, SPH Media Fund

Boon Ping was appointed CEO of SPH Media Fund in August 2014. He has more than 15 years of venture capital and M&A experience

in the technology, media and telecommunications sectors.

Prior to joining SPH, he was Senior Vice President of EDBI, the corporate investment arm of Singapore's Economic Development Board, where he headed the Internet and Digital Media investment team.

He holds a Bachelor of Engineering (Honours) and a Master in Business Administration (Banking & Finance) from Nanyang Technological University. He is a CFA charterholder.

**Sim Say Nee**

Head, Internal Audit

Say Nee was appointed as the Acting Head of Internal Audit in October 2014. She subsequently took over as Division Head in April 2015. Say Nee has been with the Division for 10 years, having joined in October 2005.

Say Nee's 15 years of experience in the profession spanned across both public and commercial sectors. She began her career in the Auditor-General's Office in 2000, where she was involved in the financial audit and system controls review at the Ministry of Manpower and Central Provident Fund Board, after graduating from Nanyang Technological University

with a Bachelor of Accountancy degree. She was an Internal Auditor with United Engineers Ltd before joining SPH.

She is a member of the Institute of Singapore Chartered Accountants.

# CEO's Overview of Group Operations

**Chan Heng Loon, Alan**  
Chief Executive Officer





## At the operating level, group recurring earnings of \$353.5 million was \$4.5 million or 1.3 per cent better than FY2014. This was a creditable achievement.

While total revenue of \$1,204.7 million was \$26.4 million or 2.1 per cent lower than FY2014, total operating expenditure declined by a larger \$30.9 million or 3.5 per cent year-on-year due to effective cost management.



2015 has been a special year for Singapore as we celebrated the Golden Jubilee of the nation's independence. We also mourned the passing of our founding Prime Minister Lee Kuan Yew on 23 March.

It has also been a year marred by adverse global events - economic slowdown, political uncertainty, terrorism and military conflicts - all of which contributed to the challenges confronting the media industry.

The Group's net profit attributable to shareholders was \$321.7 million, down \$82.6 million or 20.4 per cent compared to FY2014. But this was mainly due to a lower fair value gain on investment properties, and the one-off gain in the previous year from a partial divestment.

At the operating level, group recurring earnings of \$353.5 million was \$4.5 million or 1.3 per cent better than FY2014. This was a creditable achievement.

While total revenue of \$1,204.7 million was \$26.4 million or 2.1 per cent lower than FY2014, total operating expenditure declined by a larger \$30.9 million or 3.5 per cent year-on-year due to effective cost management.

Revenue for the core Media business continued to come under pressure. It was lower by \$60.9 million or 6.3 per cent compared to the previous year, primarily due to a \$53.7 million or 7.4 per cent fall in advertisement revenue.

Our diversification into the Property segment since we bought Paragon in 1997 has yielded good results. Property revenue surged by \$25.8 million or 12.6 per cent boosted by a maiden contribution from The Seletar Mall and higher rental income from Paragon and The Clementi Mall.

Revenue from the Group's other businesses fell \$3.0 million or 6.4 per cent against FY2014, as revenue for the exhibitions business was affected by timing differences in show dates.



# CEO's Overview of Group Operations



## Newspapers

Our two newspaper divisions were reorganised and renamed from 1 January 2015 to reflect the transformation of our newsrooms into integrated (print plus digital) operations and to promote synergy with our media-related subsidiaries.

The English & Malay Newspapers Division was renamed **English/Malay/Tamil Media group (EMTMG)** while the Chinese Newspapers Division was renamed the **Chinese Media group (CMG)**.

**The Straits Times (ST)**, SPH's English-language flagship daily founded in 1845, celebrated its 170<sup>th</sup> anniversary. It remained the best-read publication in Singapore with a combined print and digital readership of 1.34 million, based on the Nielsen Media Index Report 2014. This translates to a penetration of 32.4 per cent of Singapore's multilingual population aged 15 and older.

Readership for the paper's digital editions grew by 76 per cent compared to the same period last year. This more than offset a 2.7 percentage point drop in its print readership.

On 1 July, ST launched a major revamp of its products across all its platforms, as part of its anniversary celebrations. It also moved to a metered paywall, which gives non-subscribers a limited monthly offering of free articles to read in full and to share on social media.

ST expanded its digital offerings, adding a new evening daily email newsletter and expanding the number of platforms to include Instagram, Whatsapp and the Apple Watch, on top

of its Facebook, Twitter and Pinterest offerings. More e-books were launched for ST readers as part of its Star (ST Appreciates Readers) app.

There were also many events to engage ST's readers, such as a multi-media exhibition at the ArtScience Museum in Marina Bay Sands, entitled "Singapore STories: Then, Now, Tomorrow" and a concert by the Singapore Symphony Orchestra at the Singapore Botanic Gardens, under the SPH Gift of Music series.

On 7 August, the Sports Hub attracted an audience of 42,000 people for the Sing50 Concert extravaganza – a two-and-a-half hour pop concert jointly organised by ST and The Business Times that brought together home-grown and international stars and featured songs from different genres and communities.

**IN**, ST's weekly publication for secondary school students, sold 1.96 million copies to 70 schools, compared with 1.90 million copies last year, a 3 per cent increase.

**Little Red Dot (LRD)**, for primary school pupils, sold 1.49 million copies to 124 schools. In addition, there was a special Jubilee edition which netted 199,000 copies for IN and 100,000 copies for LRD.

In a year of market volatility, **The Business Times (BT)** maintained its total print plus digital circulation at 47,700. In October 2014, BT relaunched its print and digital platforms, with a responsive website, complemented by improved apps. BT now caters to an increasingly mobile readership and has boosted the value of its All-in-One subscription bundle.

BT continued to champion business excellence with its well-established awards. BT also co-hosted the 10<sup>th</sup> ChildAid Concert with ST in December 2014. It raised a record \$2.33 million for the BT Budding Artists Fund and ST School Pocket Money Fund.

**The New Paper (TNP)** revamped its Sunday edition in November 2014, adding new sections. TNP affirmed its position as the number 1 sports newspaper by securing a partnership with Sports Singapore to become the official paper of the SEA Games which returned to Singapore in 2015 after a 22-year long hiatus. TNP was distributed at all event venues and hotels where athletes and officials stayed.

**Berita Harian (BH)**, the Group's Malay-language newspaper, implemented several initiatives to streamline its operations and develop new revenue streams. In July 2015, the newspaper launched a new version of its mobile apps and e-newsletter. The team also reached out to pre-school children through its monthly bilingual magazine called *Cilik Cerdik/Smart Kids*. The newspaper successfully organised a futsal tournament in May 2015 which attracted overwhelming response from participants and sponsors.

BH honoured excellence in the community through its Achiever of the Year award and Inspiring Young Achiever Award. This year, in conjunction with SG50, it presented Pioneer Achiever Awards to three pioneer generation achievers.



# THE STRAITS TIMES

## New look, new ideas, same Singapore soul



Warren Lim founder of The Straits Times



### A 24-hour multi-media newsroom



# CEO's Overview of Group Operations



**Tamil Murasu (TM)** celebrated its 80<sup>th</sup> anniversary on 6 July 2015 with record growth in advertising revenue and profit. It supported a play called "Murasu", based on the life of its founder G. Sarangapany, which was well-received by the Indian community. TM and **tabla!**, the weekly English-language freesheet for the Indian diaspora, organised the fourth Singapore Indian International Shopping Festival at Suntec City in September 2014 which coincided with the tabla! Community Champion award.

Our flagship Chinese-language daily **Lianhe Zaobao (ZB)** launched its latest new website, "Z-Politics" (早报政谈), in August 2015 dedicated to the coverage of local political news. This followed the launch of its Property website, "Z-Property" (早房) which made its debut in May 2015, and its lifestyle website, "Z-Style", launched in December 2014.

The online portal, Zaobao.com, celebrated its 20<sup>th</sup> anniversary in 2015. To commemorate the occasion, it held a series of initiatives to promote engagement with its users on its digital platforms. This culminated in gala dinners organised in Singapore and Beijing.

On the social media front, ZB grew its presence in Facebook and WeChat. Apart from "Zaobao Online" (联合早报网), it launched six informative WeChat channels in February 2015. These six WeChat channels provided readers' access to lifestyle information relevant to their needs covering travel, education and finance, among others.

ZB started a new online TV news programme "ZB Keywords" (关键词) in

November 2014. It is a 3-minute news programme where headline news of the day is summed up in two to three keywords in Chinese. ZB was also the first Chinese newspaper in Asia to create and launch an app for the Apple Watch. The new app, which debuted in July 2015, allows Apple Watch users to access breaking news from ZB.

CMG and the People's Association jointly organised the SG50 Sing-Along to commemorate Singapore's Golden Jubilee, graced by Prime Minister Lee Hsien Loong. It celebrated the spirit of Singapore through a collective memory of popular local songs from the 1950s till now.

It also produced an 8-episode Chinese talk show programme entitled "Ministerial Coffee Talk" that was aired on SPH media platforms including radio and online as well as on StarHub TV in August 2015. The series served as a prelude to the General Elections and was well-received.

ZB's student papers – **zbComma**, **Thumbs Up**, **Thumbs Up Junior**, **Thumbs Up Little Junior** – organised a broad range of activities to strengthen engagement with students, parents and teachers. New activities introduced this year included the Chinese Nursery Rhyme Writing Competition, a Chinese Preschool Teachers' Seminar and a Student Workshop on Chinese Culture for P2 to P6 students. It also published a Chinese "O" Level Oral Examination guidebook which was well-received by students and teachers.

**Lianhe Wanbao (WB)** launched a travelling pictorial exhibition "Memory in Prints: Lee Kuan Yew and Us" featuring photos of the

seven-day state funeral of founding Prime Minister Lee Kuan Yew on 1 August 2015. In conjunction with the exhibition, WB published a commemorative booklet, "Those Seven Days: Lee Kuan Yew and Us", which sold over 120,000 copies.

Since the inception of the "Reading with the Elderly" programme a year ago, ZB and WB extended their community outreach to more locations. At the weekly gatherings, journalists or trained volunteers, including teachers from CHIJ St Nicholas Girls' School, presented senior citizens with news stories from the Chinese newspapers while explaining their significance.

Complementing its "Refuel Towkay!" Weekly column on interviews with businessmen from micro, small and medium enterprises, WB ran a series of well-attended talks featuring professionals from different fields who shared their personal experience, professional insights, market trends and knowledge with readers.

**Shin Min Daily News (SM)** celebrated Singapore's Golden Jubilee with special events to engage its 442,000-strong readership. These included the inaugural "Shin Min All Wheels Day" and the "Shin Min Graceful Living Workshop".

More than 85,000 copies of the "Master Hsing Yun – Words of Wisdom" books published by SM have been sold to date, making it one of the best-selling Chinese book series here. A pocket book edition of "Master Hsing Yun – Words of Wisdom 1", released on 19 August 2015, sold 30,000 copies within a week, further testifying to the enduring popularity of the series.



# 联合早报

## 新中同意积极提升双边自贸协定



欧盟：希腊公投若反对债权方紧缩措施 不会给它更多讨价还价空间

续主流群体 勇于说实话

# CEO's Overview of Group Operations



## Marketing

The newspaper advertising business has been facing stiff challenges in recent years due to a double whammy of weak economic conditions and regulatory measures which have dampened consumer sentiments.

To bring better value to our advertisers, the Marketing Division came up with new print packages for our newspapers. This effort led to increased sales in our regular supplements and events which saw double-digit growth. We also introduced the first 8-page gatefold advertisement – the result of print innovation by our Production team.

The Integrated Sales team provided a suite of multimedia platforms for clients, while Print Classified offered multimedia solutions to smaller advertisers. For example, it helped property agents host their ads on digital outdoor screens as well as on the online property portal of our subsidiary company SRX. Its new Classified pages included more consumer-centric content and bigger font sizes for easier reading.

SPH's signature car show - the Cars@Expo - grew its revenue from ads and booth sales from about \$670,000 in 2014 to \$1.68 million in 2015. This success led to an unprecedented second car show that will be held in November 2015.

To better connect with our advertisers, we enhanced our ad booking network with media agencies, allowing advertisers to book ads and run their campaigns with SPH efficiently. We are also developing online platforms to allow readers and small businesses to place ads directly. This is an extension of the current online portal which allows readers to book obituary notices in ST and BH.

The Straits Times Classified App which was developed in-house enabled readers to search and share advertisements or contact the advertisers directly. In July 2015, this app became the first SPH technology to be awarded a patent by the Intellectual Property Office of Singapore and was also accorded the Best Innovation for Advertising Award at the Singapore Business Review Listed Companies Award.

## Circulation

SPH's print circulation business continued to face unrelenting challenges from the popularity of digital offerings. With the growing presence of digital media permeating the newspaper industry, the Group enhanced its own efforts in the digital space with the aim of boosting its total print plus digital audience.

Total newspaper circulation, inclusive of both print and digital editions, ended FY2015 with 1,113,879 daily average copies, a robust year-on-year growth of 4.3 per cent, bolstered by increased demand among readers for our digital products.

ST and The Sunday Times registered a year-on-year growth of 4.9 per cent to 481,700 daily average circulation copies, with its paid digital edition ending the year at 177,400 copies, a growth of 18.6 per cent. ZB achieved a year-on-year growth of 2.5 per cent to 187,900 daily average copies, with paid digital edition at 39,300 copies, a growth of 18.0 per cent.

ST and ZB published special editions on the life and work of Singapore's founding Prime Minister, Mr Lee Kuan Yew, on 23 May 2015. The special editions sold more than 150,000 copies each.

In order to meet readers' demand for newspaper content, Circulation launched a series of localised subscription drives at more than 40 sites, covering public and private housing. The campaigns generated positive response, securing a total of 600 subscriptions.

The SPH Rewards programme, created to reward direct subscribers with a broad range of lifestyle promotions across different categories, garnered good response.

Amidst the tough retail environment, our retail convenience chain **SPH Buzz** maintained its network size of 78 outlets. The complete roll-out of its Point-of-Sale system has paved the way for more promotions and collaborations with partners. To cater to changing consumer buying habits, Buzz introduced parcel collection services for online purchases.



# CEO's Overview of Group Operations



## Magazines

Like magazine publishers around the world, **SPH Magazines** has embarked on its digital transformation. Its 90 digital editions across five countries were built on the strong following of its established print editions which held leading positions in their respective genres. These tablet magazines re-captured the imagination of readers by re-defining and refreshing the magazine experience through videos and photo galleries.

Collectively, they amassed a new digital audience of more than 500,000 which became a premium inventory for advertisers to tap on. These networks, centered on key market segments in the region, leveraged SPH Magazines' extensive brand portfolio to offer advertisers both breadth and depth in reaching their desired audiences.

Our marquee lifestyle brands - such as **Her World, Female, Singapore Women's Weekly, Cleo, Harper's Bazaar, Men's Health, Home & Décor** and **Young Parents** - continued to lead in the Nielsen Media Index's readership numbers in their respective genres.

As testament to their enduring appeal, several magazines celebrated their anniversaries this year. Most notably, Her World toasted its 55<sup>th</sup> anniversary with a year-long celebration in Singapore and Malaysia.

Luxury brands such as **The Peak, Icon, Luxury Properties, China Boating, Jet Asia Pacific** and **luxury-insider.com** were also lauded as authorities in luxury lifestyle on the back of a rapidly rising affluent segment in Asia Pacific. The Peak

bagged the Luxury Media of the Year from the Media Publishers Association of Singapore.

The top-of-mind visibility of our magazine titles also extends to their online properties. According to Marketing Magazine's Digital Media of the Year rankings, advertisers voted **Men's Health** ([www.menshealth.com.sg](http://www.menshealth.com.sg)), women's lifestyle network **herworldPLUS** ([www.herworldplus.com](http://www.herworldplus.com)) and **HardwareZone** ([www.hardwarezone.com](http://www.hardwarezone.com)) as their top media platforms in the Men's, Women's and Tech categories respectively. These sites also consistently outdo their competitors, based on Comscore's measurements of page views and unique visitors.

SPH Magazines' Custom Publishing team clinched new contracts from sought-after clients such as Diageo Brands BV and Singapore International Foundation while winning international honours for existing clients. **SilverKris**, the SIA inflight magazine produced by the team, has won prestigious awards such as the Content Marketing Awards and APEX Awards, as well as the In-Flight Media of the Year at MPAS 2015.

## Digital Media

The Group's new Digital Division completed its first full financial year with 30 per cent growth in digital revenues. With a wide portfolio of digital products, the scale and value of the **SPH Digital Network** is a key value proposition to advertisers. It has improved personalisation of content and advertising to enhance the reader experience across the various sites and apps.

The advertising team is actively using programmatic sales channels to supplement on-ground sales efforts, strengthening its presence in automated marketplaces where digital agencies and advertisers are already spending portions of their advertising budgets.

Mobile is an integral platform for publishers to deliver content to its users. **Straitstimes.com, Zaobao.com, BusinessTimes.com** and **AsiaOne** focused on delivering mobile friendly interfaces for readers navigating to the websites through their browsers, and improving the mobile apps for those who prefer a native mobile experience.

**Stomp**, the citizen journalism site, and **omy.sg**, the bilingual news and entertainment website, continued to garner a good following with their lively content. **omy.sg's** annual Singapore Blog Awards attracted over 700 registrations and more than 10,000 unique voters over the campaign period, with 27 winners honoured.

Following the Group's investment in property analytics company **StreetSine** in November 2014, it has successfully merged operations with **STProperty**, offering consumers and real estate professionals a one-stop shop for information on property-related transactions.

Complementing **STJobs** which targets the PMET space, it also launched a job search product targeting the non-executive space, **FastJobs**. A mobile app available on Android and iOS, the product secured 25 times growth in downloads in its first four months after the official launch.





# CEO's Overview of Group Operations



Both STJobs and STProperty also organised career fairs, property expos and seminars throughout the year.

The STClassifieds team launched a mobile marketplace product, **Trezo**, which taps into a growing trend for consumers who prefer to buy and sell through their mobile devices.

2015 was a fruitful year for the sites operated by **sgCarMart.com**. It remained the leading car classifieds, delivering high levels of returns for advertisers. Its forum site, **myCarForum.com**, has the highest participation rate and traffic among all other Singapore car forums. **STCars.sg** recorded a double digit growth in traffic and is now the second highest traffic car classifieds in Singapore behind sgCarMart.com.

In January 2015, **701Search** consolidated its regional online classifieds business by creating joint-venture companies in Indonesia and Thailand with South African-based Naspers. The 701Search Group, owned jointly by SPH and Norwegian media companies Schibsted and Telenor, operates the number 1 marketplace in Malaysia, Vietnam and Thailand. Silver Indonesia JVCo, the joint venture company set up by 701Search and Naspers, owns the online classifieds marketplace in Indonesia.

**ShareInvestor (SI)**, a wholly-owned subsidiary of SPH, kept its position as market leader in investor relations services to listed companies and market data tools for investors in the region. SI's flagship data products, SI WebPro and SI Station, were upgraded to include stock prices from Hong Kong, USA, Australia, Indonesia and Thailand.

SI Malaysia had another profitable year with its market data business registering the highest-ever number of subscribers and record revenue through Bursa Station, a collaboration between SI and Bursa Malaysia Bhd. SI Thailand is also the market leader with 185 listed companies using its online investor relations services.

SI took a 60 per cent stake in Waterbrooks Pte Ltd, a public relations company in Singapore, and now offers an integrated offline and online investor relations service to listed companies. It also invested in a social media platform, InvestingNote, to reinforce its efforts to reach out to a younger community.

The ShareInvestor Academy organised more than 40 seminars and events this year. SI also organised the inaugural REIT Symposium (together with REITAS) which attracted 17 REIT companies. Its signature event, "INVEST Fair 2015", into its ninth year, also broke new ground with innovative ideas such as INVEST IDOL and the Singapore Powerlist.

**SPH Data Services** delivered another year of robust growth. The collaboration with FTSE Russell (FTSE) and Singapore Exchange (SGX) to jointly create, maintain, license and market the Straits Times Index (STI) and the FTSE ST Index series, has yielded good results. To ensure that the STI remains the best solution for market participants, a market consultation was carried out and it found wide support for a higher liquidity requirement for index stocks. The new STI liquidity rule and FTSE ST index series methodology change was implemented in September 2015.

## Book Publishing

**Straits Times Press (STP)**, the Group's book publishing arm, had a fruitful year with the publication of a series of books on founding Prime Minister Lee Kuan Yew following his death on 23 March 2015. Its top seller was "LKY: A Pictorial Memoir" – a compilation of pictures from Lee's life and work, which sold about 40,000 copies.

2015 also saw enthusiasm for SG50 books. One highlight was "50 Things To Love About Singapore", done by the ST newsroom, which sold over 10,000 copies. "Living The Singapore Story", a contract publishing project for National Library Board put together by an ST team, also enjoyed brisk sales, as did "Front Page: Stories of Singapore" since 1845, produced under sponsorship with Bank of Singapore for ST's 170<sup>th</sup> anniversary exhibition at the ArtScience Museum.

Other major book launches included "Be at the Table or Be on the Menu", by Professor S Jayakumar, and "Chasing Rainbows" by Choo Lian Liang.

**Focus Publishing** expanded its stable of special interest Chinese magazine titles. Apart from its popular **U-Weekly (UW)** and **Health No. 1** titles, it launched the quarterly **UW Travel & Leisure** magazine in April 2015 and a fashion, beauty and lifestyle mook (a magazine-book hybrid) titled **Fabulous U**, in August 2015. Focus Publishing also produced a range of community newsletters and books.

**ZbBz**, the monthly bilingual luxury magazine published by ZB, launched its second edition of **ZbBz Arts** in June 2015, further strengthening ZbBz's unique DNA of sophistication and intellectual appeal.



# CEO's Overview of Group Operations



## Radio

**SPH Radio** grew from strength to strength in 2015. **Kiss92** maintained its number 1 position in share of listeners and number 2 position in cumulative audience among English stations in Singapore. The station's cumulative audience grew to 645,000 in the Nielsen's Wave 1 survey of 2015.

The other English station, **HOT FM 91.3**, was re-formatted and re-branded as **ONE FM 91.3** to target male listeners above 30 years of age. **ONE FM 91.3** achieved excellent cumulative audience of 243,000 in its first survey. The two biggest personalities in Singapore radio, Glenn Ong and The Flying Dutchman, have joined the station to helm the morning show.

**UFM100.3**, SPH Radio's only Chinese language station, maintained its cumulative listenership of 330,000, based on the latest Nielsen's Survey. It also had the longest "Time Spent Listening" among Chinese stations in Singapore, a reflection of the quality of its music and content.

## Out-of-Home Advertising

Our Out-of-Home (OOH) media advertising business unit, **SPHMBO**, grew its product line and contributed a steady revenue stream to the Group. Its annual revenue has increased by about 17 per cent year-on-year, despite higher operations costs and increased competition. The outlook for the OOH media industry is positive as advertiser demand for good OOH solutions remains strong.

**SPHMBO** secured exclusive marketing rights to new OOH advertising locations in the Central Business District and its fringes, such as One Raffles Quay, Marina Bay Link Mall and Bugis Village. It also successfully renewed its longstanding partnership with the proprietors of Chevron House, HDB Hub and Rendezvous Hotel. **SPHMBO** will continue to enjoy exclusive marketing rights to the OOH sites in these locations.

## SPH Media Fund and MSA

The **SPH Media Fund** was set up in August 2014 with a S\$100 million fund focusing on early stage investments in technology start-ups with a strong regional focus. In the last 12 months, its portfolio added investments in Chope, Crowdnews, Peatix and Smaato.

It also launched the **SPH Plug & Play** accelerator in April 2015, in partnership with Silicon Valley-based Plug & Play and Infocomm Investments, a wholly-owned subsidiary of the Infocomm Development Authority (IDA) of Singapore. It invested S\$30,000 each in eight start-up companies operating across media sectors ranging from advertising, e-commerce, marketplaces, mobile, news and content distribution. The eight selected start-ups will be mentored by domain experts from the venture capital and media industries. The start-ups will also receive training and leverage on SPH's vast intellectual property and resources.

The Group set up the **Media Strategy and Analytics Division (MSA)** in February 2014 with the aim of enhancing the company's core media business. This involves harnessing existing core assets and strengths to grow media adjacencies and identifying possible new businesses in the media space, across multi platforms. On the analytics front, MSA has identified key objectives and collaborated with various operating divisions to carry out data projects.

## Properties

Following their injection into **SPH REIT** on 24 July 2013, **Paragon** and **The Clementi Mall** have continued to deliver strong performance last year with 100 per cent committed occupancy.

**The Seletar Mall**, a joint venture between SPH and United Engineers Developments, opened in November 2014. It currently enjoys 100 per cent occupancy with over 130 retail shops. The family-oriented suburban mall has already proven to be popular with residents staying in Sengkang, Hougang, Punggol, Seletar and Ang Mo Kio, catering to their convenience, lifestyle and dining needs. The mall is easily accessible as it is connected to the Fernvale LRT, linking to Sengkang North East Line MRT/LRT station and bus interchange.



# CEO's Overview of Group Operations



## Events, Conferences and Exhibitions

The Group's events and exhibitions subsidiary **Sphere Exhibits (Sphere)** expanded and grew its portfolio in Southeast Asia while maintaining its competitiveness in Singapore. It also launched several new shows and revamped the show content for recurring events:

- **BuildTech Asia** remained the flagship trade show as Sphere successfully held the fifth edition in Singapore. Into its second edition, **BuildTech Yangon** expanded 20 per cent with a show scale of 12,000 sqm, and attracted 150 exhibitors and more than 4,000 visitors.
- The inaugural **Manufacturing Solutions Expo** was set up as a one-stop platform to showcase the latest innovative technologies to the manufacturing fraternity.
- **Franchising & Licensing Asia (FLAsia)** grew by more than 20 per cent as more international brands used Singapore as a launch pad to market-test their products. South Korea and Malaysia also presented their largest pavilions in the history of FLAsia.

- Gifts, Stationery and Office (GSO) Fair was revamped to become the **Singapore Gifts & Premiums Fair (SGPFair)**. In conjunction with this show, Sphere introduced two more shows, **Office Expo Asia (OEA)** and **PrintPack+Sign (PP+S)**, which collectively more than doubled in scale on a year-on-year basis.

This year, Sphere became the majority shareholder of Beerfest Asia Pte Ltd, which organises the annual **Beerfest Asia** event. This latest investment was in line with Sphere's commitment to expand its food and beverage verticals which include proprietary gourmet and food shows **Asian Masters, Gourmet Japan, Gusto Italiano, World Food Fair** and **Food & Beverage Fair**.

Sphere's flagship technology events, **COMEX** and **IT Show**, remain popular with improvements of show content such as introducing pre-order sale on Facebook, trade-in facilities, and regular engagement with fans on social media platforms.

**Sphere Conferences** yielded promising results with its varied conference topics in Myanmar spanning across hospitality &

tourism, civil aviation, real estate, and banking & finance. It also entered new markets such as Sri Lanka and Indonesia. Together with BT, it launched the inaugural prestigious **Asia Pacific CEO Congress** in Singapore based on the theme "Leading Transformation" which attracted over 250 business leaders from various industry sectors in the region.

## Business Outlook

Looking ahead, we will continue to invest in our print and digital assets as well as embark on new ventures to stay ahead of the latest developments in the increasingly fragmented media landscape. It is imperative that we remain vigilant to investment opportunities so as to grow the company.

We look forward to taking SPH to even greater heights with your unwavering support.

**Chan Heng Loon, Alan**  
Chief Executive Officer





SAMSUNG



AGENCY  
**SAMSUNG**

Hub

SAMSUNG

Galaxy Tab A2

Notes

Galaxy

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# Significant Events

## 2014

### 4 to 6 Sept 2014

#### International Franchise & Business Opportunities (IFBO) Vietnam 2014 debuts in Ho Chi Minh City

International Franchise & Business Opportunities (IFBO) Vietnam debuted in Ho Chi Minh City. Organised by BizLink Exhibition Services, IFBO Vietnam brought together quality brands and concepts for entrepreneurs, investors and franchising experts to explore business opportunities.

### 24 Sept 2014

#### AsiaOne enters into content and sales partnership with LifestyleAsia.com

AsiaOne entered into a content and sales partnership with LifestyleAsia.com to enhance the luxury lifestyle content on AsiaOne. AsiaOne readers could visit LifestyleAsia.com directly via AsiaOne's landing page. Select content from LifestyleAsia.com was also published on AsiaOne's homepage.

### 25 to 28 Sept 2014

#### Get pampered and empowered at the inaugural Ladies Expo 2014

Organised by Exhibits Inc., the inaugural Ladies Expo treated visitors to talks and activities, complimentary makeovers, hairstyling, make-up services and samples of the best cosmetics, skincare and beauty products.



### 28 Sept 2014

#### More than 20,000 take part in The Straits Times Run at the Hub

The National Stadium played host to more than 20,000 participants of The Straits Times Run at the Hub, the first mass-running event to end under the stadium's iconic dome roof. The 5km race ended with a party at the race village inside the stadium.

### 8 Oct 2014

#### The Business Times: refreshed newspaper, website and mobile apps

The Business Times unveiled its revamped newspaper, website and mobile apps to provide readers with a better and more interactive reading experience. Its new masthead reinforces its positioning as a credible source of business news, insights and analyses.

### 8 to 10 Oct 2014

#### Inaugural Manufacturing Solutions Expo drives growth through innovation and productivity

Jointly organised by the Singapore Manufacturing Federation and Sphere Exhibits, Manufacturing Solution Expo 2014 presented a one-stop platform for companies to adopt innovation-led solutions to help increase productivity, shifting from labour-intensive activities to high-end manufacturing.

### 17 Oct 2014

#### Straits Times Press releases books on former Prime Minister Lee Kuan Yew

Straits Times Press released "The Big Ideas of Lee Kuan Yew" in conjunction with the Lee Kuan Yew School of Public Policy. This was a 196-page book comprising essays from those who had worked closely with the former Prime Minister.

ST Press also launched other books in the course of the year, including "Lee Kuan Yew – A Tribute", "Can Singapore Survive", and "Be At the Table or Be on the Menu: A Singapore Memoir".

### 27 Oct 2014

#### Straits Times Classified launches new mobile app

SPH's Print Classified launched a new reader-friendly technology that allowed users to search through the e-paper version of The Straits Times Classified currently available free on mobile apps for both tablets and smartphones. Readers could use The Straits Times Classified mobile apps to search for the items or services that they were looking for. They could also copy or share the entire ad through email, phone message or the social media as long as the related apps were installed on their mobile devices.



**30 Oct 2014****The Straits Times introduces Brunei edition**

The Straits Times introduced another regional edition in Brunei. The All-in-One Straits Times package consisting of the print edition and full digital access via online, tablets and smartphones, was also launched. United Borneo Press (B) Sdn Bhd was licensed to print and distribute 2,500 of The Straits Times Brunei daily, including The Sunday Times, which was available at B\$1 a copy.

**3 Nov 2014****Lianhe Zaobao starts new online TV news programme ZB Keywords**

Lianhe Zaobao started ZB Keywords, an online TV news programme which provided viewers with the key content of the day's top stories in just three minutes. The programme featured journalists from Lianhe Zaobao summing up headline news of the day in two to three keywords in Chinese, allowing viewers to understand the gist of the stories in the shortest time possible.

**3 Nov 2014****SPH Classified offers convenience with online obituary booking service**

Those who wished to dedicate obituary, memorial or condolence messages to their loved ones in The Straits Times or Berita Harian can do so online at [www.sphobit.com.sg](http://www.sphobit.com.sg). The new service, offered by SPH's Print Classified, could also be accessed on tablets or smart-phones.

**7 Nov 2014****The Straits Times releases SG50 book**

The Straits Times released "50 Things To Love About Singapore". Published by Straits Times Press, the book gave a fresh and quirky take on Singapore 50 years after its independence.

**13 Nov 2014****Regional online classifieds joint venture transactions announced**

SPH, together with Naspers Limited, Schibsted Media Group and Telenor Group, announced an agreement to establish joint ventures for the development of their online classifieds platforms in four key markets – Brazil, Indonesia, Thailand and Bangladesh. Consumers would be able to buy and sell goods on better and more comprehensive market places.

**31 Oct 2014****Latest Lianhe Zaobao iPad app levels up content offering, functionality and app design**

Lianhe Zaobao released its latest version of iPad app. Besides retaining its PDF electronic newspaper, the revamped app leveled up its content offering, functionality and app design for its digital subscribers. Non-subscribers can access Breaking News, News Videos, selected Special Reports and limited portion of the pay-walled content.

**3 Nov 2014****SPH announces 60 per cent equity stake in StreetSine Technology Group**

SPH Interactive Pte. Ltd. acquired a 60 per cent equity stake in privately-held CoSine Holdings Pte. Ltd, the holding company for the StreetSine Technology Group. StreetSine Singapore would integrate SRX and STProperty onto one digital platform to offer consumers and real estate professionals end-to-end real-time information, property applications and other services for efficiently transacting real estate in Singapore.

**10 Dec 2014****Zaobao.com launches lifestyle channel Z-style**

Zaobao.com, the online portal of Lianhe Zaobao, launched a brand new lifestyle channel Z-Style at [www.zaobao.com/zstyle](http://www.zaobao.com/zstyle) to provide the stylish Chinese readers with information on the latest fashion and style trends.

# Significant Events

## 2015

### 13 Jan 2015

#### SPH invests in Crowdynews

SPH, through its New Media Fund, invested in Crowdynews, the social media curation platform for media companies which planned to continue its rapid global expansion.

### 11 Feb 2015

#### Lianhe Zaobao unveils 6 informative WeChat channels

Lianhe Zaobao unveiled six informative WeChat channels to provide readers with breaking news and lifestyle information. Each of the six channels would broadcast a message to readers every day, alerting them to access four to eight news articles with photos in each message.

### 26 Feb 2015

#### Her World celebrates 55<sup>th</sup> anniversary

Her World kick-started its 55<sup>th</sup> birthday celebrations. “Her World Gives Back 2015” raised funds for the Singapore Council of Women Organisations through the sale of the magazine’s March issue while four specially concocted mocktails were presented at the Her World Pop-up Bar. The other anniversary events included the Her World 55<sup>th</sup> Anniversary Gala Dinner and Her World Woman of the Year Awards, Her World Golf Challenge and Her World Beauty Club. There was also a special Her World birthday edition in July.



### 1 Apr 2015

#### New SPH Golf unit introduces monthly golf specials called Swing

To cater to growing demand and interest in golf, SPH formed a new unit called SPH Golf to run golf events and produce monthly golf specials for The Straits Times, The Business Times and The New Paper.

### 13 Apr 2015

#### SPH Digital launches Trezo

SPH’s Digital Division launched Trezo for users to buy and sell new or preloved items on iOS and Android platforms for free.

### 14 Apr 2015

#### SPH, Plug and Play and Infocomm Investments start SPH Plug and Play

SPH Media Fund, Plug and Play and IDA’s Infocomm Investments launched the SPH Plug and Play media and technology-focused accelerator programme.

This collaboration aimed to build a strong pipeline of high growth, innovation-driven tech start-ups to address challenges that the media industry faced.



**22 Apr 2015****The New Paper introduces 'M', a new entertainment and lifestyle website**

The New Paper introduced its new website, M, featuring the best in *Movies*, *Music*, and *Makan* or food. TNP.sg also adopted a new mobile-friendly look to its homepage, designed for a better user experience.

**12 to 13 May 2015****Sphere Conferences launches the inaugural Hospitality Investment Conference Indonesia 2015**

Sphere Conferences launched the inaugural Hospitality Investment Conference Indonesia 2015 in Jakarta, Indonesia for property developers, operators and owners of hospitality properties, as well as financiers and investors from across the region.

**22 May 2015****Lianhe Zaobao releases e-book on the late Mr Lee Kuan Yew**

Lianhe Zaobao released a Chinese language e-book "Dian Cang Guang Yao" (典藏光耀, Lee Kuan Yew – Final Farewell), a keepsake edition of the best news coverage in Lianhe Zaobao during the mourning period of Singapore's Founding Prime Minister Mr Lee Kuan Yew.

The 52-page interactive e-book included essays, interviews, video clips and a picture collection of over 100 photographs.

**26 Apr 2015****Inaugural Shin Min All Wheels Day**

The inaugural Shin Min All Wheels Day at Punggol Waterway Park attracted 95 groups of four with their own bicycles, skateboards, skate scooters or rollerblades to compete in a series of obstacles.

**15 May 2015****Lianhe Zaobao starts property site Z-Property**

Lianhe Zaobao started a new Chinese language property site Z-Property ([www.zaobao.com.sg/zproperty](http://www.zaobao.com.sg/zproperty)) to provide readers with up-to-date news, commentaries and feature stories on the private property market in Singapore and abroad.

**25 May 2015****Sphere Conferences launches the Hospitality Investment Conference Indian Ocean 2015**

Sphere Conferences launched the Hospitality Investment Conference Indian Ocean 2015 in Colombo, Sri Lanka, attracting over 150 developers, operators and owners of hospitality properties, as well as investors, financiers, designers and technology providers from across the region.

**30 to 31 May 2015****BeritaHarian.sg National Futsal Championship 2015**

BeritaHarian.sg organised the BeritaHarian.sg National Futsal Championship at the Home United Youth Football Academy. It attracted overwhelming response from participants and sponsors.

**27 Apr 2015****UW releases travel magazine UW Travel & Leisure**

UW released a Chinese travel title called UW Travel & Leisure, offering the latest travel news and hottest travel spots in the world.

**21 May 2015****The Seletar Mall opens**

The Seletar Mall, developed by The Seletar Mall Pte Ltd, a joint venture company between SPH and United Engineers Limited, welcomed its first shoppers on 28 November 2014. It was officially opened on 21 May 2015.



# Significant Events

**2 Jun 2015**

**SPH acquires stake in BeerFest**

Sphere Exhibits took up an additional 40 per cent shareholding stake in Beerfest Asia, the company which organised the annual BeerFest Asia event. With this investment, Sphere Exhibits secured an 80 per cent stake in the company.



**9 Jun 2015**

**ShareInvestor invests 15 per cent stake in social network site InvestingNote**

ShareInvestor acquired a 15 per cent stake in Investing Note Pte Ltd. With InvestingNote and its focus on Singapore and US stocks, the site would allow users to share market news and trading ideas, and upload these information on social media platforms such as Facebook and Twitter.

**6 Jul 2015**

**Tamil Murasu celebrates 80<sup>th</sup> anniversary**

Tamil Murasu marked its 80<sup>th</sup> anniversary with a new masthead and a special supplement. Over 120 advertisers, business partners, past and present staff also attended a dinner to celebrate the joyous occasion. A play titled "Murasu" was staged by the Ravindran Drama Group to commemorate the special occasion.

**11 Jul 2015**

**SG50 Sing-Along unites 10,000 singing voices**

Over 10,000 people, together with Prime Minister Lee Hsien Loong, participated in the SG50 Sing-Along (SG50万人大家唱) at the Singapore Indoor Stadium. The mass singing event was presented by SPH's Chinese Media group and People's Association, in conjunction with SG50 celebrations. It celebrated the spirit of Singapore through a collective memory of local songs which were popular from the 1950s to today.

**25 Jun 2015**

**New look, better navigation on AsiaOne as it turns 20**

In celebration of its 20<sup>th</sup> anniversary, AsiaOne unveiled a refreshed website with a new look, more navigation features and deeper content. For the first time, over 20 new magazine titles, publications, and web-only content sites, including The Wall Street Journal, CNBC, Nikkei Asian Review, Vulcan Post could be found on AsiaOne, making the site a one-stop destination for news and lifestyle stories.

**6 Jul 2015**

**Glenn Ong and The Flying Dutchman are back on radio with ONE FM 91.3**

ONE FM 91.3 unveiled Glenn Ong and Mark Van Cuylenburg, better known as The Flying Dutchman, as their latest additions to helm ONE FM's Breakfast Show on weekdays, along with Andre Hoeden.

**15 Jul 2015**

**The Straits Times marks 170<sup>th</sup> anniversary**

The Straits Times, marking its 170<sup>th</sup> anniversary in 2015, launched a free e-book that recounted key moments from the nation's past as they were reported in the national daily. "Living History: 170 years of The Straits Times" was the newspaper's gift to the nation on her 50<sup>th</sup> birthday.

**25 Jun to 26 Aug 2015**

**Apple Watch apps for readers**

The Straits Times, AsiaOne, Lianhe Zaobao, Lianhe Wanbao and omy.sg developed apps on the Apple Watch, to provide readers easy access to breaking news.



The Straits Times also organised other events, including the "Singapore STories: Then, Now, Tomorrow" exhibition, a free anniversary concert by Singapore Symphony Orchestra at the Singapore Botanic Gardens and the ST Run.

The Straits Times also underwent a major revamp, giving readers quality content and a consistent look-and-feel that cut across print and digital platforms.

**22 Jul 2015****SPH invests in Qoo10**

SPH invested in Singapore-based Giosis Pte Ltd, the parent company of Pan-Asian e-commerce platform Qoo10. The investment would be used to accelerate Qoo10's technology growth and service development, while investing in additional infrastructure and talent acquisition.

**28 Jul 2015****Zaobao.com organises International Chinese Interactive News Awards 2015**

The inaugural International Chinese Interactive News Awards, the first of its kind in East Asia, was held in conjunction with Zaobao.com's 20<sup>th</sup> anniversary in Beijing. The Awards aimed to encourage media professionals and journalism students to hone and showcase their skills in news reporting and interactive media presentation.

**30 Jul 2015****SPH and SPH Foundation donate \$400,000 to Community Chest at SPH Gift of Music 10<sup>th</sup> Anniversary Concert**

SPH Gift of Music, the free concert series sponsored by SPH, celebrated its 10<sup>th</sup> anniversary with a lunchtime concert by the Singapore Symphony Orchestra at Esplanade Concert Hall. It was also the platform for the annual SPH and SPH Foundation Charity Cheque Presentation. Dr Lee Boon Yang, Chairman of SPH and SPH Foundation, presented a cheque of \$400,000 to Mr Eric Ang, Vice Chairman of Community Chest at the concert.

**1 Aug to 7 Sep 2015****Lianhe Wanbao launches "Memory in Prints: Lee Kuan Yew and Us" exhibition**

Lianhe Wanbao launched a pictorial exhibition featuring photos of the seven-day state funeral of founding Prime Minister Lee Kuan Yew on 1 August 2015. The travelling exhibition, titled "Memory in Prints: Lee Kuan Yew and Us", was presented in four official languages at different locations.

**4 Aug 2015****"Ministerial Coffee Talk" addresses the latest news topics on multiple platforms**

The Chinese Media group of SPH produced an 8-episode Chinese talk show programme called "Ministerial Coffee Talk" on SPH's media platforms including radio and online, as well as on StarHub TV. Each 30-minute episode featured a Minister addressing issues such as health, housing and transportation.

**7 Aug 2015****Sing50 concert celebrates 50 years of Singapore music**

Singapore's jubilee celebrations hit a high note with more than 250 Singaporean performers and a 1,000-strong community choir belting out more than 70 of Singapore's greatest hits to a 45,000 crowd at the Sing50 concert, held at the National Stadium. The star-studded, two-and-a-half hour concert covered different genres of music, highlighted key milestones and featured iconic artists who made an impact in Singapore's music scene.

**14 Aug 2015****Zaobao.com celebrates 20 years of digital excellence**

Zaobao.com, the online portal of Lianhe Zaobao, culminated its 20<sup>th</sup> anniversary celebrations this year with a gala dinner. A forum discussion titled "Internet Economy in Asia from Investor's Perspective" was also held.

**18 to 19 Aug 2015****Sphere Conferences and The Business Times organise first Asia Pacific CEO Congress 2015**

Sphere Conferences and The Business Times were the co-organisers for the inaugural Asia Pacific CEO Congress 2015. More than 250 CEOs from various key sectors across Asia debated and strategised on the key issues on doing business in the ever changing competitive world.

**19 Aug 2015****Lianhe Zaobao presents new political website Z-Politics**

Lianhe Zaobao presented its newest website, Z-Politics, dedicated to the coverage of local political news. Online readers could access the free Chinese language site on [zpolitics.zaobao.com.sg](http://zpolitics.zaobao.com.sg).



## Awards & Accolades

**“See The Big Picture” campaign organised in celebration of SPH’s 30<sup>th</sup> anniversary in 2014, won 14 awards.**

### INMA Awards 2015

- Best Use of an Event to Grow a News Brand category – 2<sup>nd</sup> place

### W<sup>3</sup> Awards 2014

- Best Web Video - Documentary – Gold (SPH Razor)
- Video Channels and Networks – News and Information – Gold (SPH Razor)

### Asian Media Awards 2015

- Best in Community Service – Gold

### Mob-Ex Awards 2015

- Best Brand Awareness Campaign – Gold
- Best Original Content – Gold
- Best Use Of Mobile For An Event – Gold
- Best Integration of Mobile – Silver

### Marketing Events Awards by Marketing Magazine 2014

- Best Consumer Event – Silver
- Best Exhibition Event – Silver
- Best Multi-Channel Campaign – Silver

### The MARKies by Marketing-Interactive 2015

- Best Use of Events award

### PR Awards 2015

- Best PR Idea – Silver
- Most Creative PR Stunt – Bronze

### Corporate Awards

### Corporate LiveWire’s 2015 Innovation & Excellence Awards by Fenice Media Ltd

- Most Innovative Media Organisation - SPH

### 15<sup>th</sup> SIAS Investors’ Choice Award 2014

- Most Transparent Company Award (Services Category) – Winner  
(This is the 11<sup>th</sup> consecutive time that SPH has won the Most Transparent Company Award.)

### Community Chest Awards 2015

- SPH and SPH Foundation received the Corporate Platinum Award for the sixth consecutive year

### Patron of the Arts Award 2015

- Singapore Press Holdings – Patron of the Arts and SG50 Arts Patron Award

- UFM100.3, SPH Radio - Patron of the Arts and SG50 Arts Patron Award
- Singapore Press Holdings Foundation Ltd – Friend of the Arts award

### Patron of Heritage Awards by National Heritage Board 2015

- Singapore Press Holdings – Partner of Heritage award

### President’s Challenge 25<sup>th</sup> Anniversary Commemorative Dinner 2015

- Singapore Press Holdings – Outstanding Supporter Award

### HEALTH Awards 2014 by Health Promotion Board

- Singapore Press Holdings – Gold

### Editorial /Printing/Creative Achievements

### Awards for Print - Newspapers

### 2014 World Young Reader Prize by WAN-IFRA

- Enduring Excellence – The Straits Times’ Schools programme

PR Awards 2015



### 2015 World Young Reader Prize by WAN-IFRA

- Public Service category – Silver (The Straits Times for MCCY-Straits Times Idea Jam)

### Pacific Area Newspaper Publishers' Association (PANPA) Advertising and Marketing Awards 2015

- Best Young Reader Program – The Straits Times

### 15<sup>th</sup> SIAS Investors' Choice Award 2014

- Financial Journalist of the Year – Ms Michelle Quah (Senior Correspondent, The Business Times)
- Most Promising Journalist of the Year – Ms Lee Meixian (Journalist, The Business Times)
- Best Commentary Award – Mr Goh Eng Yeow (Senior Correspondent, The Straits Times)

### S. League Awards 2014

- Mikasa Story of the Year – “Beating Cancer is his biggest win” by David Lee, The New Paper
- Yeo's Picture of the Year – “Head over Heels” by Jeremy Long, The New Paper

### Asian Media Awards 2015

- Best in Design (Newspaper Overall Design) - Bronze (The Straits Times)
- Best Editorial Content (Newspaper Breaking News Article) - Bronze (The Straits Times for “MH370 crash”)
- Best in Photojournalism (Feature Photography) - Silver (The Straits Times for winning image of the new Sports Hub stadium by Desmond Lim)
- Best in Photojournalism (Sports Photography) – Silver (Lianhe Zaobao for image of training regimen of the women synchronised swimming team in Singapore by Jonathan Yeap)
- Best in Editorial Content (Newspaper Feature Article) – Silver (The New Paper for coverage of the unethical practices of shops at Sim Lim Square)
- Best in Newspaper Marketing - Bronze (The New Paper for The New Paper Big Walk)

### Society of Publishers in Asia (SOPA) Awards 2015

- Excellence in Editorial Cartooning – Honourable Mention (Manny Francisco, The Straits Times)

### 36<sup>th</sup> Best of Newspaper Design by Society for News Design 2015

- Photography/Multiple Photos Photo page or spread category – Award for Excellence (The Straits Times for “Survival of the Fittest” by Alphonsus Chern and Caroline Chia)
- Photography/Single Photos Portrait category - Award for Excellence (The Straits Times for “She loves me like a rock” by Kevin Lim)
- Feature design pages – Travel/ Compact 50,000-174,999 copies – Award for Excellence (The New Paper for “Ola Brasil!” by Billy Ker)
- Redesigns Overall – Newspaper category – Award for Excellence (The Business Times for the redesign of its newspaper)

### INMA Awards 2015

- Best Idea to Grow Subscription Sales – 2<sup>nd</sup> place (The New Paper Big Walk” campaign)



# Awards & Accolades

## Awards for Print - Magazines

### Asian Publishing Awards 2014

- Best Use of Design, Layout & Presentation – Gold (ICON Moments 2013-2014)
- Best Feature on Asian Travel - Gold (SilverKris May 2014: “Echoes of a Master”)
- Best Cover Design – Excellence Award (ICON Jun 2014)
- Best Multimedia Integration – Excellence Award (SilverKris.com, May 2014)
- Best Use of Design, Layout & Presentation – Excellence Award (SilverKris Feb 2014)
- Best Feature on Timepieces – Excellence Award (The Peak Selections: Timepieces 2014/2015)
- Best Use of Design, Layout & Presentation – Excellence Award (The Peak Selections: Gourmet & Travel Issue 10 - 2014)
- Best Use of Design, Layout & Presentation – Excellence Award (Female Apr 2014)
- Best Use of UGC (User-Generated Content) – Excellence Award (Lianhe Zaobao's I Report)

### International Corporate Media Award (ICMA) 2014

- Photography in General – Bronze (The Peak Selections: Gourmet & Travel Issue 9, pages 124 – 129)
- Photography in General – Bronze (The Peak Selections: Gourmet & Travel Issue 9, pages 144 – 153)
- Alternative Storytelling – Award of Excellence (The Peak Selections: Gourmet & Travel Issue 9, pages 73 – 82)
- Alternative Storytelling – Award of Excellence (The Peak Selections: Gourmet & Travel Issue 10, pages 89 – 97)

- Client Magazine, Business to Client (B2C) – Gold (SilverKris Feb & May 2014 issues)
- Books - General Literature – Silver (The Peak 30/30 – The Game Changers)
- Front Page – Award of Excellence (Nuyou Sep 2014)
- Front Page – Award of Excellence (Nuyou Time 2014/2015)

### Pearl Awards 2014

- Best New Magazine (Design) – Gold (The Johnnie Walker House Edit Vol 1)

### Content Marketing Awards 2015

- Best Hospitality/Travel Publication – SilverKris (Sep 2014 issue)

### Tabbie Awards 2015

- Front Cover, Illustration category – Gold (Issue 26 of Singapore Nautilus)
- Best Single Issue: Top 25 Issues – 6<sup>th</sup> place (Singapore Nautilus Issue 28)

### APEX Awards 2015

- Magazines, Journals & Tabloids – Design & Layout category – Grand Award (SilverKris, Sep 2014 issue)
- Magazines, Journals & Tabloids – Writing category - Award of Excellence (The Johnnie Walker House Edit Vol 2)
- Magazines, Journals & Tabloids – Custom-Published category - Award of Excellence (Singapore Health, Nov/Dec 2014 issue)

### MPAS Awards 2015

- Luxury Media of the Year (Winner) – The Peak Singapore Nov/Dec 2014
- Food Media of the Year (Winner) – The Peak Selections: Gourmet & Travel Issues 9 & 10

- Special Edition of the Year (Winner) – The Peak 30/30 – The Game Changers
- Fashion Media of the Year - Winner – Harper's Bazaar Oct/Nov 2014 - Merit – Female Sep/Oct 2014
- Women's Media of the Year - Winner – The Singapore Women's Weekly Oct/Dec 2014 - Merit – Her World Jun/Dec 2014
- Consumer Feature Article of the Year - Winner – Man of Honour (Harper's Bazaar Man Sep 2014) - Merit – Our Fun Hobbies Paid Off (Her World Sep 2014)
- Print Photography of the Year (Winner) – Elements of Style (The Peak Oct 2014)
- Online Photography of the Year (Winner) – In Search of Old Japan (Hardwarezone.com)
- Front Cover of the Year, Consumer (Merit) – Harper's Bazaar Art Jan/Aug 2014
- Social Media Campaign of the Year (Merit) – herworldPLUS
- In-flight Media of the Year (Merit) – SilverKris (Singapore Airlines Aug/Sep 2014)
- Health/Fitness/Sports Media of the Year (Merit) – Shape Jun/Sep 2014
- Media Company of the Year (Merit) – SPH Magazines Pte Ltd

## Awards for Digital

### Spring 2014 DV Awards

- Outstanding Achievement in Digital Video Production – SPH Razor (for “RazorTV – News that Matters”)
- Outstanding Achievement in Digital Video Production - SPH Razor (for “5 Uniquely Singaporean Chinese New Year Practices”)



### The Spark Awards 2015 by Marketing Magazine

- Most Improved Offering by a Media Owner category – Silver (AsiaOne for its revamped mobile and iPad apps)
- Best App by a Media Owner category – Bronze (SPH's FastJobs app)

### Mob-Ex Awards 2015

- Most Improved Mobile Activation/ App – Silver (The Business Times for its relaunch campaign)

### Singapore Business Review Listed Companies Awards 2015

- Best Innovation for Advertising Award - The Straits Times Classified app

### W<sup>3</sup> Awards 2014

- Mobile applications – Photo & Video – Silver (SPH Razor iOS app)

### Davey Awards 2014

- News category – Silver (AsiaOne iPad app)
- Food & Beverage category – Silver (The Straits Times SoShiok app)

### WAN-IFRA Asian Digital Media Awards 2014

- Best Mobile Service category – Bronze (Straitstimes.com)

### Digital Media Asia Hack (DMA.Hack) 2014

- Winner – SPH Digital

### Pearl Awards 2014

- Best Overall Web Design – Digital category – Bronze (www.silverkris.com)

### Editor & Publisher EPPY Awards 2014

- Best User Experience category (under 1 million unique monthly visitors) – omy.sg (for The Singapore Entertainment Awards 2014 website)

### Other Awards

### The Spark Awards 2015 by Marketing Magazine

- Best Commercial Team category – Gold (SPH Radio)
- Best Media Solution – Radio category – Bronze (SPH Radio for “Experience Macau” campaign)

### Singapore Racing Awards 2014 by Singapore Turf Club

- Racing Media Award (Chinese) - Ms Joleen Tan Chung Yu (Associate Racing Editor, Central Integrated Newsroom, Chinese Media group)

### Property Accolades

### Singapore Retailers Association (SRA) Shopping Centre Awards 2014 - Outstanding Efforts in Centre Management

- Paragon

### Best Dressed Building Contest 2014 organised by Orchard Road Business Association (ORBA) - Overall Winner (Judges' Choice)

- Paragon

### BCA Design and Engineering Safety Excellent Award 2015

- Commercial category – Merit (The Seletar Mall)

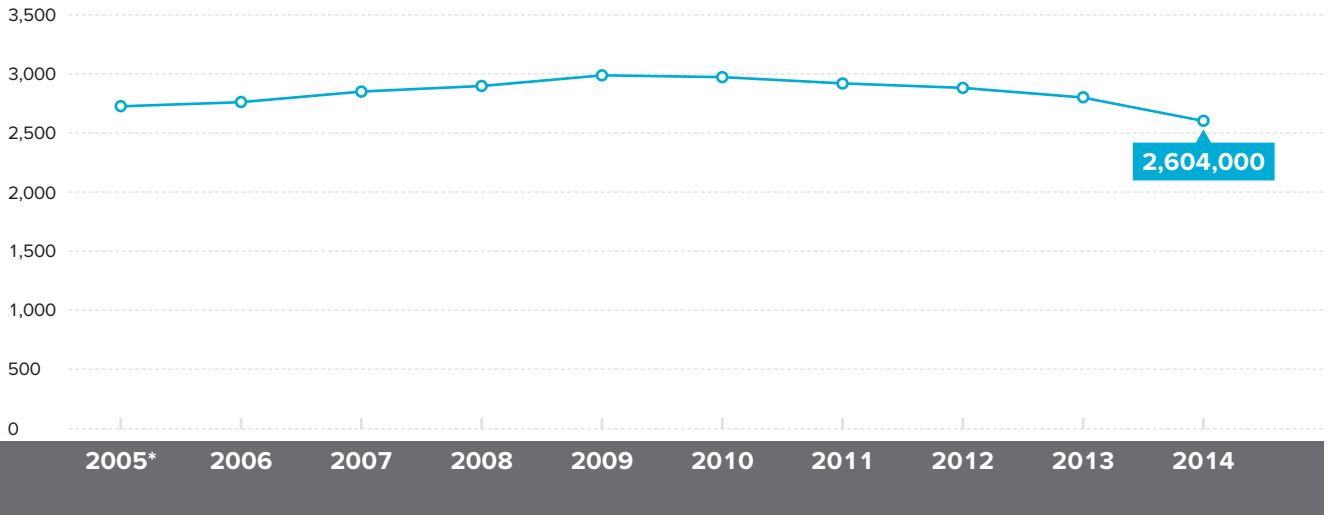


Singapore Racing Awards 2014 by Singapore Turf Club

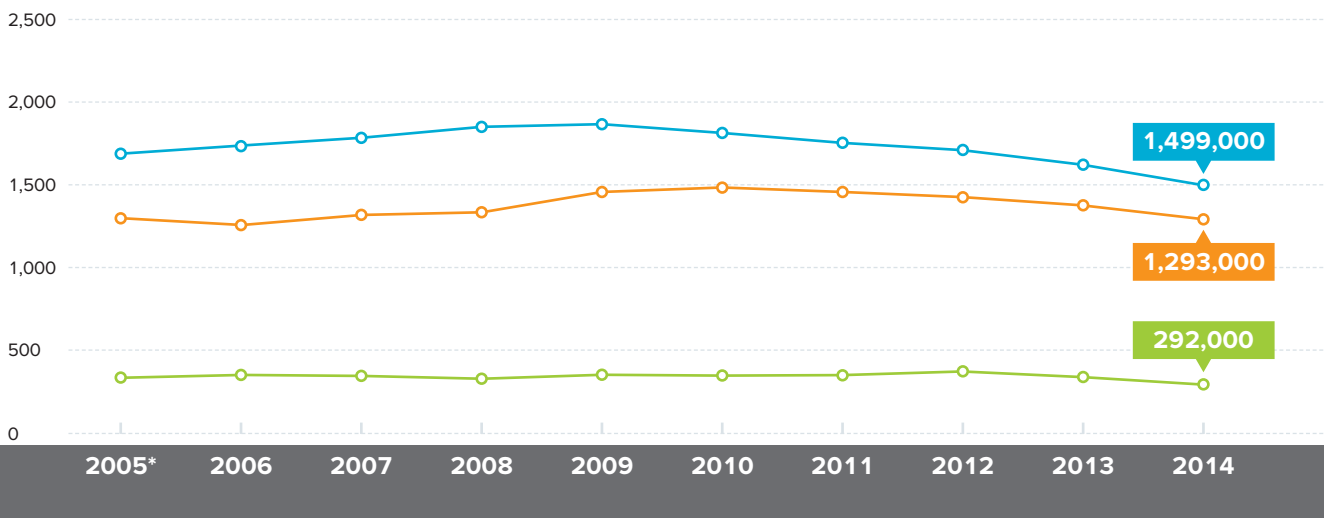


# SPH Newspapers Readership Trends

SPH Newspapers Net Readership Trends ('000)



SPH Newspapers Readership Trends ('000)



- English-Language papers
- Chinese-Language papers (Including My Paper)
- Malay-language & Tamil-language papers

\* *Streets ceased publication from January 2005*

Remarks: Nielsen Fieldwork period July-June; year indicated refers to the year when fieldwork was completed

Source: Nielsen Media Research, Media Index (2005-2014)

# Daily Average Newspapers Circulation

August 2015

<b>The Straits Times / The Sunday Times (Print + Digital)</b>  <b>481,700</b> (Print) 304,300 (Digital) 177,400	<b>The Business Times (Print + Digital)</b>  <b>47,700</b> (Print) 29,200 (Digital) 18,500	<b>Berita Harian / Berita Minggu (Print + Digital)</b>  <b>47,100</b> (Print) 44,600 (Digital) 2,500
<b>The New Paper / The New Paper Sunday (Print + Digital)</b>  <b>110,600</b> (Print) 70,200 (Digital) 40,400	<b>Lianhe Zaobao (Print + Digital)</b>  <b>187,900</b> (Print) 148,600 (Digital) 39,300	<b>Lianhe Wanbao (Print + Digital)</b>  <b>91,600</b> (Print) 82,500 (Digital) 9,100
<b>Shin Min Daily News</b>  <b>120,200</b>	<b>Tamil Murasu / Tamil Murasu Sunday</b>  <b>12,800</b>	<b>zbCOMMA<sup>3</sup></b>  <b>52,800</b>
<b>Thumbs Up<sup>3</sup></b>  <b>22,400</b>	<b>Thumbs Up Junior<sup>3</sup></b>  <b>12,700</b>	<b>Thumbs Up Little Junior<sup>3</sup></b>  <b>36,800</b>

**Notes:**

- Total paid digital subscription numbers reported are in accordance with the rules by the Audit Bureau of Circulations Singapore (ABC)
- The Straits Times / The Sunday Times unique digital subscribers : 60,871

The Business Times unique digital subscribers : 6,658

Berita Harian unique digital subscribers : 911

The New Paper unique digital subscribers : 757

Lianhe Zaobao unique digital subscribers : 13,727

Lianhe Wanbao unique digital subscribers : 1,137
- Figures are reported on a per issue basis

# Financial Review

## Group Simplified Financial Position

	2015 S\$'000	2014 S\$'000	2013 S\$'000	2012* S\$'000	2011 S\$'000
<b>Assets</b>					
Property, plant and equipment	249,976	285,562	331,778	362,548	394,086
Investment properties	3,940,951	3,860,451	3,672,565	3,517,147	1,754,259
Investments	1,184,114	1,716,333	1,557,332	884,741	1,065,543
Cash and cash equivalents	292,246	442,937	465,398	372,459	392,514
Trade and other receivables	196,580	148,115	150,761	186,889	156,136
Inventories	12,477	23,947	23,890	27,079	37,317
Other assets	193,698	174,051	171,630	134,496	88,919
<b>Total</b>	<b>6,070,042</b>	<b>6,651,396</b>	<b>6,373,354</b>	<b>5,485,359</b>	<b>3,888,774</b>
<b>Shareholders' interests</b>					
Capital and reserves	3,618,813	3,687,095	3,536,480	3,680,160	2,232,005
<b>Non-controlling interests</b>	<b>727,837</b>	<b>709,088</b>	<b>679,226</b>	<b>73,016</b>	<b>74,584</b>
<b>Liabilities</b>					
Borrowings					
Non-current	947,271	879,107	1,738,222	1,280,322	1,011,168
Current	336,681	926,369	2,721	3,293	100,800
Trade and other payables					
Non-current	48,199	34,875	34,026	32,953	27,776
Current	271,171	298,046	268,969	278,683	296,670
Taxation					
Deferred	50,658	46,901	41,318	47,227	49,481
Current	62,331	60,502	69,613	81,856	89,488
Other liabilities					
	7,081	9,413	2,779	7,849	6,802
<b>Total</b>	<b>6,070,042</b>	<b>6,651,396</b>	<b>6,373,354</b>	<b>5,485,359</b>	<b>3,888,774</b>

\* With effect from FY2013, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements for FY2012 were restated.

## Group Quarterly Results

	2015					2014				
	1st Qtr S\$'000	2nd Qtr S\$'000	3rd Qtr S\$'000	4th Qtr S\$'000	Full Year S\$'000	1st Qtr S\$'000	2nd Qtr S\$'000	3rd Qtr S\$'000	4th Qtr S\$'000	Full Year S\$'000
Operating revenue	307,057	270,294	306,789	292,940	1,177,080	328,475	278,764	309,725	298,220	1,215,184
Operating profit	102,344	67,993	105,192	77,971	353,500	116,873	53,495	98,391	80,204	348,963
Profit before taxation	95,990	91,993	125,406	116,856	430,245	118,499	98,352	115,276	196,264	528,391
Profit attributable to shareholders	69,350	69,622	98,214	84,515	321,701	88,815	81,302	89,632	144,537	404,286
Earnings per share (S\$)	0.04	0.04	0.06	0.06	0.20	0.06	0.05	0.06	0.08	0.25

## Profit after Taxation (S\$m)

2015	370.4
2014	470.7
2013	434.3
2012*	586.6
2011	383.8

## Return on Operating Revenue (%)

2015	27.3
2014	33.3
2013	34.8
2012*	45.1
2011	31.1

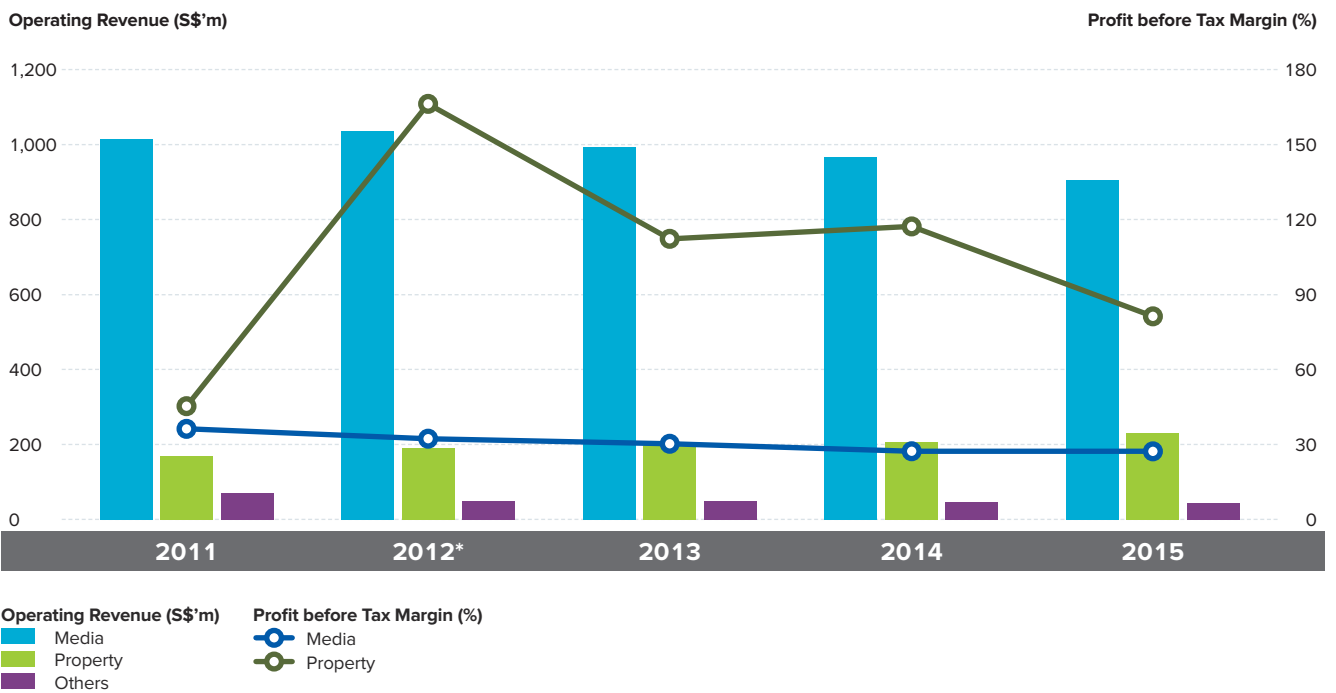
## Earnings Per Share (S\$)

2015	0.20
2014	0.25
2013	0.27
2012*	0.36
2011	0.24

## Return on Equity (%)

2015	8.9
2014	11.0
2013	12.2
2012*	15.6
2011	17.4

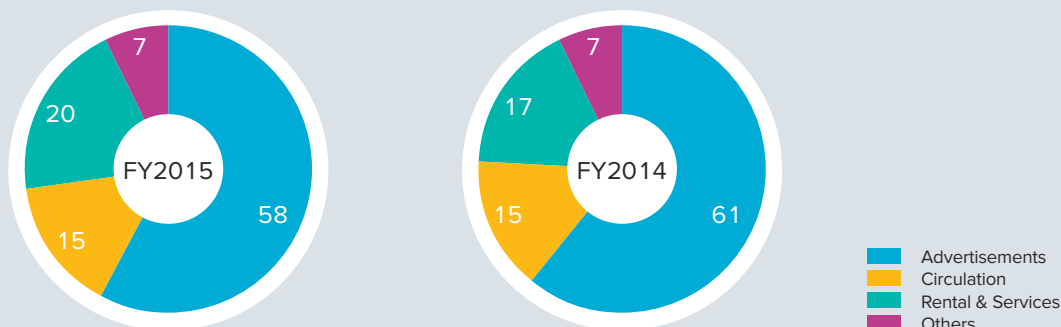
## Segmental Operating Revenue and Profit Margin



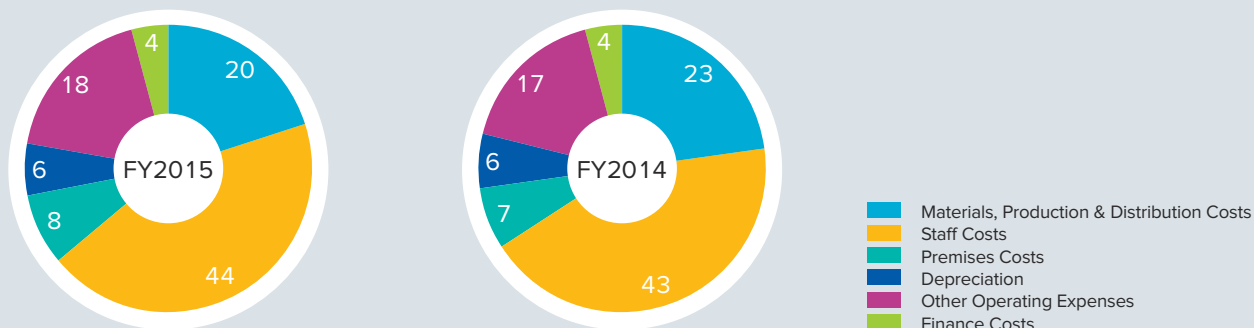
\* With effect from FY2013, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements for FY2012 were restated.

# Financial Review

## Operating Revenue Composition (%)



## Cost Composition (%)



Group operating revenue of S\$1,177.1 million was S\$38.1 million (3.1%) lower compared to FY2014. Revenue for the Media business declined S\$60.9 million (6.3%) to S\$902.5 million as advertisement and circulation revenue fell S\$53.7 million (7.4%) and S\$10.1 million (5.4%) respectively.

Revenue for the Property segment grew by S\$25.8 million (12.6%) to S\$230.8 million, boosted by contribution from The Seletar Mall which commenced business last November.

Revenue from the Group's other businesses dipped by S\$3.0 million (6.4%) to S\$43.8 million. The decrease in revenue from the exhibitions business was partially cushioned by income from the newly acquired online classifieds business.

The increase in other operating income of S\$11.7 million (73.9%) arose mainly from corporate events, write-back of contingent consideration for acquired businesses and gain on dilution of interest in an associate.

Total costs of S\$851.2 million was S\$30.9 million (3.5%) lower compared to FY2014.

Materials, production and distribution costs saw a reduction of S\$23.3 million (11.7%), largely due to lower newsprint, utility and production costs in line with lower revenue.

Staff costs was marginally lower by S\$2.9 million (0.8%) due to reduced bonus costs.

Other operating expenses was contained at S\$152.3 million, slightly lower than last year's by S\$1.6 million (1.0%). During the current year, impairment charges of S\$9.1 million were recognised, mainly for the magazine business.

Operating profit of S\$353.5 million was S\$4.5 million (1.3%) higher than last year.

Fair value gain on investment properties of S\$36.3 million relates mainly to the increase in valuation of the retail assets of SPH REIT. The fair value gain recognised last year amounted to S\$109.1 million.

Investment income of S\$51.7 million was S\$3.5 million (7.2%) higher compared to last year. This year's income included dividends and gain on sale of investments in conjunction with the funding of the redemption of the Medium Term Notes during the year, partially offset by foreign exchange differences on hedges for portfolio investments.

The share of results of associates and joint ventures improved by S\$19.5 million (63.5%) due to a reduction in losses by S\$13.3 million from regional online classifieds business and a gain of S\$7.4 million relating to the development of the regional online classifieds business.

The gain of S\$52.9 million recognised in the previous year relates to partial divestment of stake in the regional online classifieds business.

Net profit attributable to shareholders was S\$321.7 million, S\$82.6 million (20.4%) lower compared to FY2014 after accounting for profits and fair value gain on investment properties attributable to the non-controlling interests.

# Value Added Statement

for the financial year ended August 31, 2015

	2015 S\$'000	2014 S\$'000
Sale of goods and services	1,177,080	1,215,184
Purchase of materials and services	(312,238)	(344,329)
<b>Value added from operations</b>	<b>864,842</b>	870,855
<b>Non-production income and expenses:</b>		
Net foreign exchange differences from operations	(657)	(462)
Net loss on disposal of property, plant and equipment	(150)	(618)
Impairment of property, plant and equipment	–	(9,798)
Allowance for impairment of trade receivables	(370)	(3,761)
Bad debts recovery	251	300
Net income from investments	51,707	48,215
Share of results of associates and joint ventures	(11,220)	(30,726)
Gain on partial divestment of a joint venture	–	52,863
Write-back of impairment of loan to an associate	–	388
Loss on disposal of a joint venture	(459)	–
Impairment of intangible assets (including goodwill)	(9,069)	–
<b>Total value added</b>	<b>894,875</b>	927,256
<b>Distribution:</b>		
Employees' wages, provident fund contributions and other benefits	379,950	385,563
Corporate and other taxes	82,093	78,073
Finance costs	33,620	35,066
Donation and sponsorship	2,895	1,336
Directors' fees	1,529	1,612
Net dividends to shareholders	339,348	355,444
<b>Total distributed</b>	<b>839,435</b>	857,094
<b>Retained in the business:</b>		
Fair value change on investment properties	(36,258)	(109,076)
Depreciation and amortisation	60,624	63,946
Non-controlling interests	48,721	66,450
Retained earnings	(17,647)	48,842
	<b>894,875</b>	927,256
<b>Productivity ratios:</b>		
	S\$	S\$
<b>Value added</b>		
Per employee	201,877	203,756
Per \$ employment costs	2.28	2.26
Per \$ investment in property, plant and equipment (before depreciation)	0.87	0.87
Per \$ operating revenue	0.73	0.72

# Investor Relations

## Investor Relations

It is our belief that our commitment to a high standard of corporate governance practices, together with a demonstrated performance track record, are instrumental to creating sustained value for stakeholders. Guided by the principles of transparency and accountability, our Investor Relations (IR) practices are designed and developed to facilitate engagement with stakeholders and to safeguard their interests, by maintaining regular, effective and fair communication through clear, consistent and timely updates.

With the above in mind, our IR programme comprises a full suite of IR activities every year to reinforce long-term relationship with stakeholders. Feedback and insights garnered are regularly reported to the Board of Directors, alongside updates on shareholder statistics and views from investors and analysts.

The investing community continues to recognise our IR effort. For the year under review, SPH was again named the winner of the 'Most Transparent Company' award at the Securities Investors

Association (Singapore) ["SIAS"] Investors' Choice Awards 2014. We are humbled by the trust accorded by the investing community and will strive to build on the rapport which we enjoy with investors.

## Engaging the Investing Community

SPH's senior management plays an active role in engaging the investing community, given the emphasis on the long-term strategic relationship with our investors. The company utilises multiple platforms to engage investors and provide them with an in-depth understanding of the group's business performance, prospects and challenges.

To engage institutional investors effectively, SPH's senior management participates in major investor conferences and events, including the Credit Suisse Asian Investment Conference in Hong Kong and Morgan Stanley Asia Pacific Summit in Singapore. In addition, senior management and IR team also address institutional investors on a regular basis via quarterly post-results investor luncheons, face-to-face meetings and conference calls.

Retail investors constitute another important aspect of our outreach effort. The company collaborates closely with external partners such as SIAS and SGX to address the collective need of retail investors. This includes participation in various public forums such as SIAS Corporate Profile Seminar, SGX quarterly conference, and the annual Invest Fair organised by Shareinvestor. In addition, the IR team also addresses the concerns of retail investors through email and telephone enquiries.

On this note, shareholders are encouraged to access our corporate website at [www.sph.com.sg](http://www.sph.com.sg) for the latest updates. Queries can also be posted via our Investor Relations email address, [sphir@sph.com.sg](mailto:sphir@sph.com.sg)



## Investor Relations Calendar

**1<sup>st</sup> Quarter 2015**  
**(September – November 14)**

- 2014 Full Year Financial Results Announcement and Media Conference & Analysts' Briefing with audio webcast
- Full Year Results Investor Meeting
- ◆ Morgan Stanley Asia Pacific Summit 2014 (Singapore)
- ◆ SGX quarterly conference "Investment opportunities in the Singapore stock market"
- Release of Annual Report 2014
- Annual General Meeting

**3<sup>rd</sup> Quarter 2015**  
**(March – May 15)**

- ◆ Credit Suisse Asian Investment Conference (Hong Kong)
- Announcement of 2Q/HY FY2015 Results and Analysts' Briefing with audio webcast
- Post 2Q Results Investor Meeting
- ◆ SIAS Corporate Profile Seminar
- ◆ SGX-Barclays Corporate Day 2015

**2<sup>nd</sup> Quarter 2015**  
**(December 14 – February 15)**

- Payment of 2014 Final Dividends
- Announcement of 1Q FY2015 results
- Post 1Q Results Investor Meeting

**4<sup>th</sup> Quarter 2015**  
**(June – August 15)**

- Announcement of 3Q FY2015 Results
- Post 3Q Results Investor Meeting
- ◆ Invest Fair 2015

◆ *Investor conferences and events attended.*

## Financial Calendar

**2015**

- 13 October**  
Announcement of FY2015 Results
- 10 December**  
Record Date for Dividend Entitlement
- 23 December**  
Proposed Payment of 2015 Final Dividends

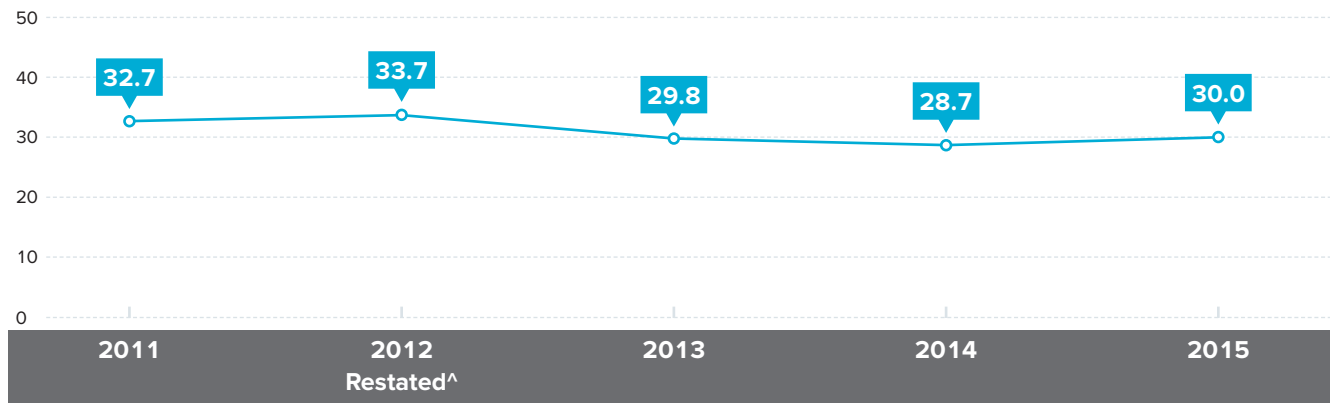
**2016\***

- 12 January**  
Announcement of 1Q FY2016 Results
- 12 April**  
Announcement of 2Q/HY FY2016 Results
- 15 July**  
Announcement of 3Q FY2016 Results
- 14 October**  
Announcement of FY2016 Results

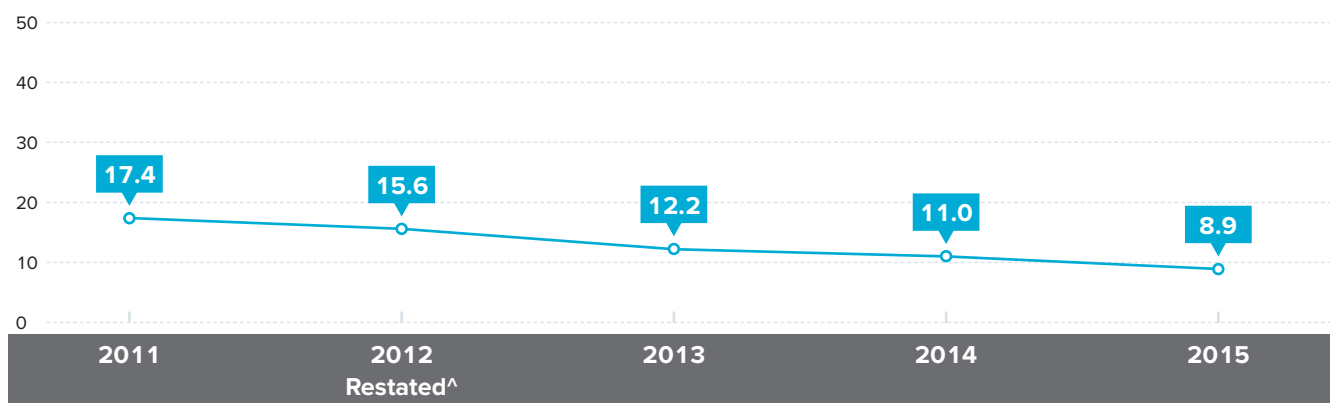
\* *The dates are indicative and subject to change. Please refer to SPH website, [www.sph.com.sg](http://www.sph.com.sg), for the latest updates.*

# Investor Reference

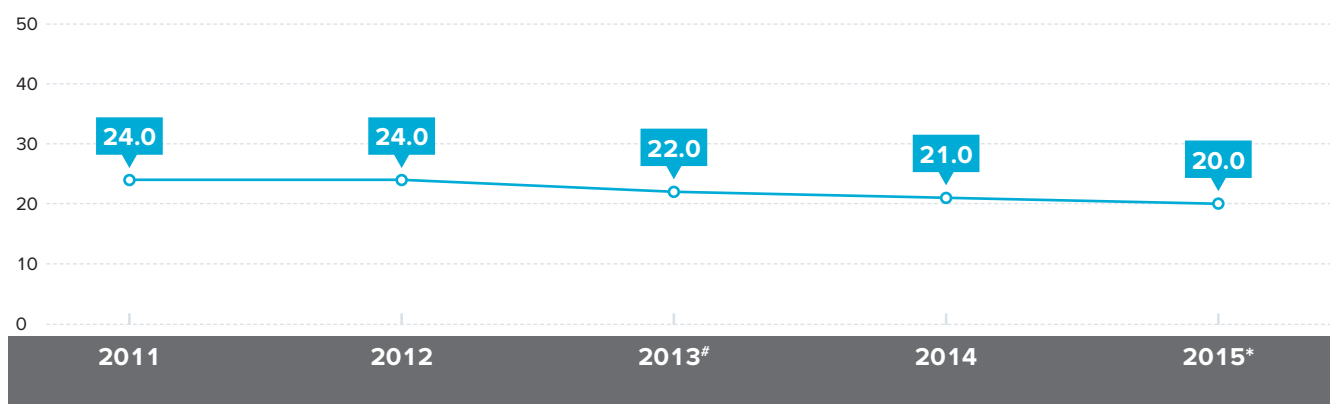
## Operating Margin\* (%)



## Return on Shareholders' Funds (%)



## Dividend per Share (cents)

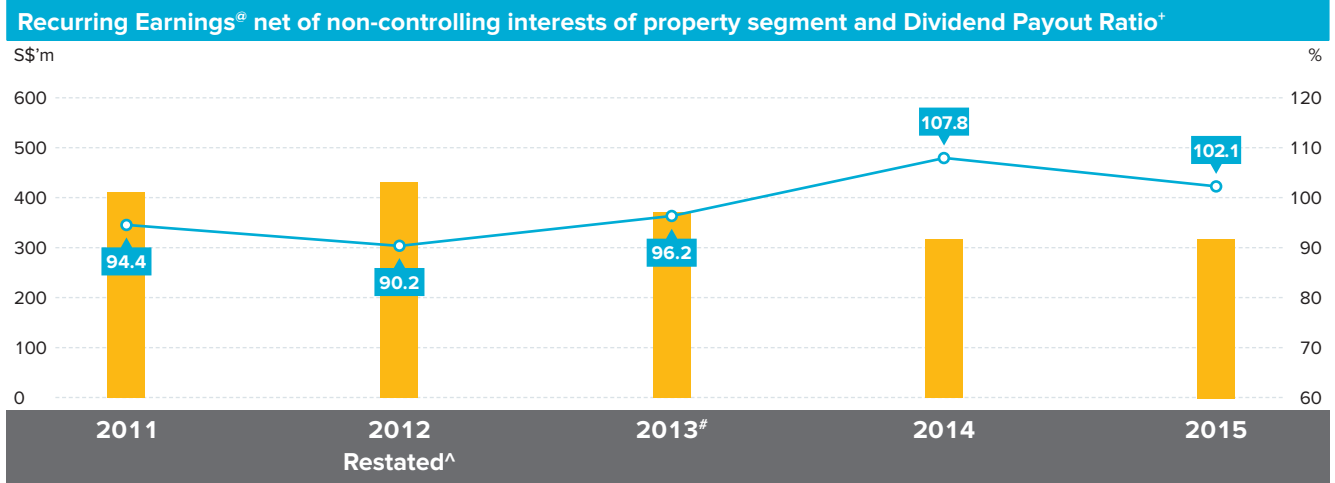


<sup>+</sup> Computed based on Group recurring earnings.

<sup>^</sup> With effect from FY2013, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements for FY2012 were restated.

<sup>#</sup> Excluded special dividend of 18 cents per share paid pursuant to the establishment of SPH REIT.

<sup>\*</sup> Included interim dividend of 7 cents per share, and proposed final dividend of 13 cents per share comprising a normal dividend of 8 cents per share and a special dividend of 5 cents per share. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on December 1, 2015.

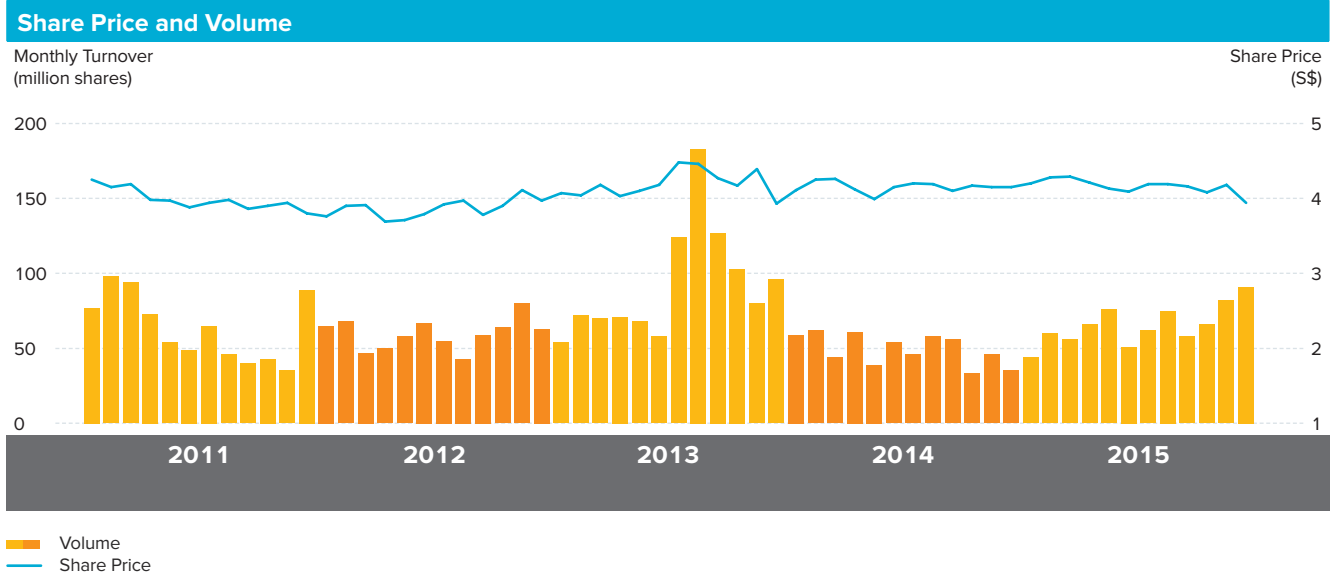


<sup>®</sup> This represents the recurring earnings of the media, property and other businesses.

<sup>+</sup> Computed based on Group recurring earnings net of non-controlling interests of property segment.

<sup>^</sup> With effect from FY2013, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements for FY2012 were restated.

<sup>#</sup> Computation excluded special dividend of 18 cents paid pursuant to the establishment of SPH REIT.



	2011 S\$	2012 S\$	2013 S\$	2014 S\$	2015 S\$
Highest closing price	4.26	4.12	4.65	4.29	4.34
Lowest closing price	3.62	3.61	3.91	3.93	3.88
August 31 closing price	3.80	3.97	3.93	4.15	3.94
Price/Earnings Ratio based on August 31 closing price	15.83	11.03	14.56	16.60	19.70

Source : Bloomberg

# Corporate Information

## EXECUTIVE COMMITTEE

Lee Boon Yang (Chairman)  
Bahren Shaari  
Quek See Tiat  
Lucien Wong Yuen Kuai  
Chan Heng Loon Alan

## AUDIT COMMITTEE

Bahren Shaari (Chairman)  
Janet Ang Guat Har  
Quek See Tiat  
Tan Chin Hwee

## BOARD RISK COMMITTEE

Quek See Tiat (Chairman)  
Janet Ang Guat Har  
Tan Chin Hwee  
Tan Yen Yen

## NOMINATING COMMITTEE

Ng Ser Miang (Chairman)  
Lee Boon Yang  
Chong Siak Ching  
Lucien Wong Yuen Kuai

## REMUNERATION COMMITTEE

Lee Boon Yang (Chairman)  
Chong Siak Ching  
Tan Yen Yen  
Lucien Wong Yuen Kuai

## AUDITORS

KPMG LLP  
16 Raffles Quay #22-00  
Hong Leong Building  
Singapore 048581

Audit Partner: Ong Pang Thye  
(Appointed in 2013)

## COMPANY SECRETARIES

Ginney Lim May Ling  
Khor Siew Kim

## REGISTERED OFFICE

1000, Toa Payoh North  
News Centre  
Singapore 318994  
Tel: (65) 6319 6319  
Fax: (65) 6319 8282  
Email: sphcorp@sph.com.sg  
Co.Reg.No. 198402868E

## SHARE REGISTRATION OFFICE

Tricor Barbinder Share  
Registration Services  
80 Robinson Road, #02-00  
Singapore 068898  
Tel: (65) 6236 3333



# Sustainability Report

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# Sustainability Report

**This report focuses on the sustainability practices and strategy of SPH and its subsidiaries, covering the environmental, social and governance aspects of our Group's operations.**



With the endorsement of the management, a sustainability reporting committee was formed, with representatives from different divisions. Coordinated by the Corporate Communications & CSR Division, the Group conducted a stakeholder and materiality analysis across divisions and gathered the relevant data and information. This is to ensure that the social, economic and environmental considerations of the company are adequately addressed.

From the analysis, the pertinent issues, their importance, as well as their impact on SPH Group's stakeholders and business activities were examined.

The parameters of the Sustainability Report are constantly evolving. The committee strives to continuously enhance the Group's disclosure processes, performance targets and data-collation systems to ensure that a more robust and comprehensive Sustainability Report is presented in the years to come.

## Materiality Analysis

The Sustainability Report is based on economical, social and environmental issues that are material to the Group's business operations and stakeholders.

SPH is one of Asia's leading multimedia companies, with a diverse business portfolio in Newspapers, Magazines and Book Publishing, Internet and Mobile, Broadcasting, Events and Exhibitions, Out-of-Home Advertising and Properties.

As the leading content provider in Singapore, producing accurate and timely news reports across multiple platforms is our priority. SPH also offers a suite of cross-media solutions to support integrated marketing campaigns for advertisers.

Behind every satisfied customer is a dedicated SPH staff. SPH understands the importance of implementing effective human resource policies and practices that promote safe and healthy working conditions, fair employment practices, teamwork, learning and development, career growth and rewards to attract, retain and grow talent.

In the area of energy consumption, SPH strives to ensure energy savings in its printing plant and offices. Cutting down on energy usage not only helps to mitigate climate change, but also saves costs for the Group. Reduction in water usage and proper waste management are the other key areas that help ensure environmental sustainability and minimise corporate footprint in these areas.

With the recent haze situation caused by forest fires in Indonesia, SPH has taken measures to ensure that its newsprint and paper supplies have been purchased from certified vendors and sustainable sources.

As an active corporate citizen, SPH and SPH Foundation have a wide spectrum of social and environmental projects to contribute to the well being and development of the community. Both have won many accolades and touched many lives for the diverse corporate social responsibility efforts.

## Stakeholder Engagement

SPH is committed to establishing strong and mutually beneficial relationships with its diverse base of stakeholders.

It maintains active engagement with them through open communication channels, thereby earning their trust and understanding over time.

It employs both formal and informal means to understand its stakeholders' concerns, secure their buy-in and manage their expectations promptly.

SPH believes that the unstinting support of its stakeholders is the key to its organisational success.

Stakeholders	Means and methods	What do they expect from us?	Our solutions
<b>Employees</b>	SPH engages all staff across News Centre, Media Centre and Print Centre via emails, intranet, staff broadcasts, internal staff publications, SPH Family Day, SPH Games Day, Up on the Roof monthly networking sessions, lunchtime talks, Chairman/CEO visits and townhalls etc.	<p>To work in a conducive and pleasant environment where there is personal development and productivity, and user-friendly means to apply for leave and courses.</p> <p>To be kept updated on the company's latest strategic developments, empowering them to feel greater loyalty and ownership.</p> <p>To pick up tips for personal development to achieve career growth and work-life balance.</p>	<p>SPH adopts good human resource policies and practices that promote fairness, safe working conditions, reward good performance, encourage teamwork, ensure career growth and provide work-life balance, e.g. through provision of nursing rooms and encouraging staff to take part in sports and leisure events such as SPH Games Day and SPH Family Day.</p> <p>There are also email channels for staff to provide their feedback to the management to facilitate communication.</p>
<b>Trade Unions</b>	SPH continuously engages in dialogues with the unions, and conducts regular reviews of human resource practices.	To gain access to employees to promote membership in the trade unions, as well as engagement with all levels of management to ensure regular dialogue.	SPH has open communication channels with the unions and engages them on both official and non-official occasions.
<b>Customers</b>	SPH uses social media platforms (Facebook, Twitter, YouTube) and employs surveys, advertisements, hotline numbers and email accounts to connect with customers.	To have on-time delivery of newspapers and up-to-date, reliable online news and content, anytime and anywhere.	SPH ensures reliable newspaper delivery services, prompt handling of complaints and maintaining high levels of customer service for issues management.
<b>Suppliers</b>	SPH seeks requests for quotations, proposals and tenders, and engages in meetings, email correspondences and tele-conferences for discussions.	<p>To comply with terms and conditions of the company's existing purchasing policies and procedures.</p> <p>To be familiar with new procurement policies and not to engage in any fraud or impropriety in dealings with staff.</p>	SPH will design fair-value and competitive-based policies and best practices that ensure a fair selection of suppliers and an ethical procurement process.
<b>Distributors/ Retailers/ Tenants</b>	<p>SPH conducts regular meetings, visits, emails and regular correspondences.</p> <p>It also uses social media platforms (Facebook, Twitter, YouTube), smartphone and tablet apps as well as surveys to engage shoppers. Advertisements, in-mall posters, direct mailers and EDMs are used to promote events and promotions.</p> <p>Shoppers can also correspond via a customer service hotline or email service.</p>	<p>To receive goods and products in an orderly and timely manner, and delivering a memorable retail experience for shoppers.</p> <p>To explore ideas for partnerships to deliver memorable shopping experiences.</p>	SPH conducts regular sales planning and support, with frequent visits by account managers to tenants and offering a designated channel for prompt attention.

# Sustainability Report

Stakeholders	Means and methods	What do they expect from us?	Our solutions
<b>Business partners</b>	SPH conducts regular meetings, email correspondences, and teleconferencing.	To engage in collaborative partnerships to grow the business.	By engaging suitable partners to pursue mutually beneficial business objectives to achieve growth and profitability.
<b>Investors/ Shareholders</b>	The Investor Relations and Corporate Communications & CSR teams carry out meetings, engage in email correspondences, participate in investor roadshows, and help organise the Annual General Meeting.	To receive accurate and timely information on company progress and profitability, with updates on company's future plans.	SPH strives to generate optimum returns on investment, practise good corporate governance, transparency and disclosure, as well as sustainable and long term growth of business.  It keeps the financial community fully updated with correct and timely information on the company's future plans.
<b>Local communities</b>	SPH engages the community through outreach programmes, corporate sponsorships and donations, as part of SPH's corporate social responsibility efforts.	To have a company that is a responsible and caring corporate citizen, serving the communities.	By having a wide range of community outreach programmes and organising meaningful and impactful charitable events like the SPH Charity Carnival, SPH Gift of Music concerts and sponsoring environmental projects such as the Amazon Flooded Forest at the River Safari.
<b>Media and Industry Partners</b>	SPH issues media releases, media advisories, invitations, and host visits for corporate and industry partners. The Corporate Communications & CSR team also meets up with the media regularly.	To have access to latest company announcements, corporate news and developments of the media industry.	By providing timely and accurate information on latest company developments and news on a regular basis.
<b>Government and Regulators</b>	SPH conducts regular meetings with appropriate government agencies' officials.	To ensure the company complies with guiding policies and regulations and addresses pertinent issues.	By complying with existing laws and having policies and procedures to ensure adherence and sustainability of the business.  Giving feedback to regulators on their new laws and policies.
<b>Trade associations</b>	Joining relevant trade associations.	For the company to lend support and voice out various concerns and issues faced by the industry.	By contributing via active membership and participation in industry forums and dialogues.
<b>Advocacy groups and charitable and welfare organisations</b>	Meetings, sponsorships and meaningful collaborations on events.	For the company to have responsible business practices, reducing impact on the environment and disclosing information pertaining to business growth and sustainability.	By working with advocacy groups e.g. on conservation projects that seek to reduce environmental impact, and supporting charitable causes.



### Trade membership

SPH has established strategic partnerships and linkages with a diverse range of local and overseas corporate members and public bodies, which include:

- AdAsia
- Adbase Users Group
- Advertising Standards Authority of Singapore
- ASEAN Newspaper Printers
- Asia News Network
- Association Of Media Owners (Singapore)
- Audit Bureau of Circulations
- AustCham
- Business China
- Central Singapore Development Council
- Contact Centre Association of Singapore
- Digital Filipino
- FIPP (the worldwide magazine media association)
- Fire Safety Managers' Association Singapore
- GOSS Metro User
- Id-ecommerce
- Interactive Advertising Bureau SEA (Singapore Chapter)
- Institute of Advertising Singapore
- International Classified Media Association
- Institute of Internal Auditors
- International News Media Association
- International Press Institute
- Internet and Mobile Marketing Association of the Philippines
- Institute of Public Relations Singapore
- Institute of Policy Studies
- Institute of Technical Education
- Interactive Advertising Bureau SEA (Singapore Chapter)
- Magazine Publishers Association Malaysia
- Media Publishers Association of Singapore
- Malaysia Digital Association
- Marketing Institute of Singapore
- Master Printing System Club
- Management Development Institute of Singapore
- Newspaper Association of America
- National Safety and Security Watch Group
- Orchard Road Business Association
- Real Estate Developers' Association of Singapore
- RISI (Resource Information Systems Inc)
- Pacific Area Newspaper Publishers' Association Inc
- Security Industry Institute
- Singapore Academy of Law
- Singapore Association of Convention and Exhibition Organisers and Suppliers
- Singapore Association of the Institute of Chartered Secretaries & Administrators
- Singapore Book Publishers Association
- Singapore Business China
- Singapore Business Federation
- Singapore Chinese Chamber of Commerce and Industry
- Singapore Compact
- Singapore International Chamber of Commerce
- Singapore Institute of Directors
- Singapore Institute of Management
- Singapore Institute of Safety Officers
- Singapore Law Academy
- Singapore National Employers Federation
- Singapore Retailers' Association
- Singapore Press Club
- Singapore Vehicle Traders Association
- Southeast Community Development Council
- The Association of Accredited Advertising Agents Singapore
- The Society of News Design
- The Society of Publishers in Asia
- Workplace Safety and Health Council
- World Association of Newspapers and News Publishers

### Feedback

This report demonstrates our commitment to keep our stakeholders, including our employees, customers, investors, business partners and community members, abreast of our social and environmental developments.

We welcome feedback and can be reached at: [sphcorp@sph.com.sg](mailto:sphcorp@sph.com.sg)

# Corporate Governance Report

SPH is committed to achieving high standards of corporate governance, to promote corporate transparency and to enhance shareholder value. It firmly believes that good corporate governance is essential to the sustainability of the Company's business and performance. SPH is pleased to confirm that it has adhered to the principles and guidelines of the Code of Corporate Governance 2012 (the "Code"). In so far as any guideline has not been complied with, the reason has been provided.

The Annual Report should be read in totality for SPH's full compliance.

## BOARD MATTERS

### Board's Conduct of its Affairs

#### *Principle 1: Board's Leadership and Control*

The Board is collectively responsible for providing overall strategy and direction to the Management and the Group. Through the Board's leadership, the Group's businesses are able to achieve sustainable and successful performance.

The principal functions of the Board are as follows:

- (a) decide on matters in relation to the Group's activities which are of a significant nature, including decisions on strategic directions and guidelines and the approval of periodic plans and major investments and divestments;
- (b) oversee the business and affairs of the Company, establish with Management the strategies and financial objectives to be implemented by Management, and monitor the performance of Management;
- (c) oversee processes for evaluating the adequacy and effectiveness of internal controls and risk management systems;
- (d) set the Company's values and standards (including ethical standards); and
- (e) consider sustainability issues such as environmental and social factors as part of its strategic formulation.

Matters requiring the Board's decision and approval include:

1. Major funding proposals, investments, acquisitions and divestments including the Group's commitment in terms of capital and other resources;
2. Annual budgets and financial plans of the Group;
3. Annual and quarterly financial reports;
4. Internal controls and risk management strategies and execution; and
5. Appointment of directors and key management staff, including review of their performance and remuneration packages.

The Group has in place, financial authorisation limits for matters such as operating and capital expenditure, credit lines and acquisition and disposal of assets and investments, which require the approval of the Board.

All Directors are expected to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Group. However, to ensure that specific issues are subject to in-depth and timely review, certain functions have been delegated to various Board Committees, which would submit its recommendations or decisions to the Board. The Board Committees constituted by the Board are the Executive Committee ("EC"), Audit Committee ("AC"), Remuneration Committee ("RC"), Nominating Committee ("NC") and Board Risk Committee ("BRC"). Each of these Board Committees has its own terms of reference.

The EC is chaired by Dr Lee Boon Yang, and comprises Mr Lucien Wong, Mr Bahren Shaari, Mr Quek See Tiat and Mr Chan Heng Loon Alan.

The EC's principal responsibilities are as follows:-

- (a) review, with Management, and recommend to the Board the overall corporate strategy, objectives and policies of the Group, and monitor their implementation;
- (b) consider and recommend to the Board, the Group's five year plan and annual operating and capital budgets;
- (c) review and recommend to the Board proposed investments and acquisitions of the Group which are considered strategic for the long-term prospects of the Group;
- (d) approve the Company's asset allocation strategy, appointment and termination of external fund managers and investment/ divestment of securities and review investment guidelines, treasury management and investment performance;
- (e) act on behalf of the Board in urgent situations, when it is not feasible to convene a meeting of the entire Board; and
- (f) carry out such other functions as may be delegated to it by the Board.

Details of other Board Committees are as set out below:

1. Audit Committee (principle 12);
2. Remuneration Committee (principle 7);
3. Nominating Committee (principle 4); and
4. Board Risk Committee (principle 11).

### Board Attendance

The Board meets on a quarterly basis and as warranted by particular circumstances. The Board met six times in the financial year ended 31 August 2015 ("FY2015"), of which four were the regular quarterly meetings and two were meetings to discuss other important and strategic matters. A Director who is unable to attend any meeting in person may participate via tele-conference. The attendance of the Directors at meetings of the Board and Board Committees, and the frequency of such meetings, is disclosed on page 95. A Director who fails to attend three Board meetings consecutively, without good reason, will not be nominated by the NC for re-appointment and will be deemed to have resigned.

### Training for Directors

Upon the appointment of a Director, he is provided with a formal letter setting out his key responsibilities.

A comprehensive orientation and induction programme, including site visits to the Group's operations centres, is organised for new Directors to familiarise them with the Group's business, operations, organisation structure and corporate policies. They are briefed on the Company's corporate governance practices, regulatory regime and their duties as Directors. Directors are updated regularly on changes in relevant laws and regulations; industry developments; business initiatives and challenges; and analyst and media commentaries on matters related to the Company and the media industry.

Directors are informed of and encouraged to attend relevant training programmes conducted by the Singapore Institute of Directors, Singapore Exchange Limited, and business and financial institutions and consultants.

For FY2015, Directors were provided with training in the areas of audit committee duties, cyber security and the digital media market, in addition to updates on internal controls and regulatory requirements such as the Companies (Amendment) Act 2014 and the Personal Data Protection Act.

Directors may, at any time, request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from Management.

They are also informed about matters such as the Code of Dealings in the Company's shares as they are privy to price sensitive information.

# Corporate Governance Report

## Board Composition and Guidance

### *Principle 2: Strong and Independent Board*

Currently, the Board comprises 10 Directors, all of whom, except for the Chief Executive Officer (“CEO”), are non-executive and independent Directors. Each Director has been appointed on the strength of his/her calibre and experience. As a group, the Directors possess core competencies such as accounting, finance, legal, business or management experience, industry knowledge and strategic planning experience. The Directors have decided that as a guide, the Board should have a maximum of 12 Directors, given that the optimum size of a Board for effective deliberation and decision making is between 10 and 12.

There is a strong and independent element on the Board, with the NC considering 9 out of 10 Directors to be independent. The independence of each Director is assessed by the NC in accordance with Guideline 2.3 of the Code.

In relation to Mr Lucien Wong, the NC has determined that even though the total fees billed by Allen & Gledhill (of which Mr Wong is a partner) to the Group in FY2015 exceeded S\$200,000, his independence had not been compromised as this amount did not constitute a significant proportion of the law firm’s total legal fees.

Ms Janet Ang is Vice-President of Systems of Engagement & Smarter Cities, IBM Asia Pacific. It was noted that IBM had transactions with SPH of more than S\$200,000 in the last financial year, but that her independence had not be compromised as SPH was not amongst IBM’s top 30 accounts and IBM’s business with SPH did not represent a significant portion of IBM’s total revenue.

For the above reasons, the NC has determined Mr Wong and Ms Ang to be independent Directors.

Key information regarding the Directors, including directorship and chairmanship both present and those held over the preceding three years in other listed companies, and other principal commitments, are set out in the Board of Directors’ section and on pages 26 to 29 which provide further information on them.

The Board and Management are given opportunities to engage in open and constructive debate for the furtherance of strategic objectives. All Board members are supplied with relevant, complete and accurate information on a timely basis and non-executive Directors may challenge Management’s assumptions and also extend guidance to Management, in the best interest of the Group.

Non-executive Directors meet regularly without the presence of Management.

## Chairman and Chief Executive Officer

### *Principle 3: Clear division of responsibilities between Chairman and Chief Executive Officer to ensure a balance of power and authority*

The Chairman and CEO of the Company are separate persons. The Chairman is a non-executive and independent Director and also chairs the EC and the RC. He sets the agenda for Board meetings, ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues, and that complete, adequate and timely information is made available to the Board. He encourages constructive relations within the Board and between the Board and Management, facilitates the effective contribution of non-executive Directors, and ensures effective communications with shareholders. He takes a lead role in promoting high standards of corporate governance, with the full support of the Directors, the Company Secretary and Management.

The Chairman and the CEO are not related. The CEO bears executive responsibility for the Group's business and implements the Board's decisions. The roles of the Chairman and the CEO are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Company does not have any lead independent Director given that the Chairman and CEO are not the same person and are not immediate family members; the Chairman is not a part of the management team and is an independent Director.

## Board Membership

### *Principle 4: Formal and transparent process for appointment and re-appointment of directors*

The Board reviews the composition of the Board and Board Committees periodically, taking into account the need for progressive renewal of the Board and each Director's competencies, commitment, contribution and performance.

To ensure that the governance and business needs of the Group are adequately addressed, the NC regularly reviews the capabilities of the Directors collectively by taking into account their skills, experience, gender, and company and industry knowledge.

The NC is chaired by Mr Ng Ser Miang and comprises Dr Lee Boon Yang, Ms Chong Siak Ching and Mr Lucien Wong.

The functions of the NC include the following:

- (a) identify candidates for nomination and make recommendations to the Board on all board appointments;
- (b) re-nominate directors, having regard to the director's contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an independent director. As a principle of good corporate governance, all directors are required to submit themselves for re-nomination and re-election at regular intervals and at least every three years;
- (c) determine annually whether a director is independent;
- (d) review the balance and diversity of skills, experience, gender, knowledge and competencies of the Board, and its size and composition;
- (e) develop and recommend to the Board a process for evaluation of the performance of the Board, Board Committees and directors;
- (f) assess the effectiveness of the Board, the Board Committees and the contribution by each individual director to the effectiveness of the Board;
- (g) review and recommend to the Board the succession plans for directors, in particular, the Chairman and the Chief Executive Officer;
- (h) review and recommend the training and professional development programmes for the Board; and
- (i) review the succession plans and the development programmes for key executive/editorial positions.

The NC reviews the size of the Board and recommends that the optimum board size should not exceed 12. The NC regularly reviews the balance and mix of expertise, skills and attributes of the Directors in order to meet the business and governance needs of the Group.

# Corporate Governance Report

## Process for selection of new Directors

The NC shortlists candidates with the appropriate profile for nomination or re-nomination and recommends them to the Board for approval. It looks out for suitable candidates to ensure continuity of Board talent. Some of the selection criteria used are integrity, independent mindedness, diversity of competencies, ability to commit time and effort to the Board, track record of good decision-making, experience in high-performing companies and financial literacy. The Committee may seek advice from external search consultants where necessary.

The appointment of Directors is also in accordance with Section 10 of the Newspaper and Printing Presses Act (Cap 206).

The Board does not appoint alternate directors, as recommended by Guideline 4.5 of the Code.

## Directors' time commitment

The NC has adopted internal guidelines addressing competing time commitments that arise when Directors serve on multiple boards and have other principal commitments. As a guide, Directors should not have more than six listed company board representations and other principal commitments.

The NC monitors and determines annually whether Directors who have multiple board representations and other principal commitments, are able to give sufficient time and attention to the affairs of the Company and adequately carry out his duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and his actual conduct on the Board, in making this determination.

The NC was satisfied that in FY2015, despite their other listed company board representations and/or other principal commitments, each of the Directors was able to give sufficient time and attention to the affairs of the Company, and was able to adequately carry out his duties as a Director of the Company.

## Re-nomination of Directors

As a matter of corporate governance, all Directors are required to submit themselves for re-nomination and re-election at regular intervals, and at least once every three years. Article 111 of the Company's Articles of Association ("Articles") requires one-third of the Directors, or the number nearest to but not less than one-third, to retire by rotation at every annual general meeting ("AGM"). These Directors may offer themselves for re-election, if eligible. Directors of or over 70 years of age are required to be re-elected every year at the AGM under Section 153(6) of the Companies Act before they can continue to act as a Director.

## Succession Planning

The NC regards succession planning as an important part of corporate governance and has an internal process of succession planning for the Chairman, Directors and the CEO to ensure the progressive and orderly renewal of the Board.

## Review of Directors' Independence

The NC reviews annually whether a Director or potential candidate for the Board is considered an independent director bearing in mind the Code's definition of an "independent director" and guidance as to the relationships, the existence of which would deem a Director not to be independent (Guideline 2.3).

The NC has ascertained that for the period under review, all non-executive Directors are independent and that Directors have devoted sufficient time and attention to the Group's affairs.

## Board Performance

*Principle 5: Formal assessment of the effectiveness of the Board, Board Committees and contribution of each director*

The NC reviews the performance of the Board, Board Committees and individual Directors on an annual basis, based on performance criteria as agreed by the Board, and decides how this may be evaluated.

The Board has implemented a process for assessing the effectiveness of the Board as a whole, its Board Committees and for assessing the contribution by the Chairman and individual Directors to the effectiveness of the Board.

## Board Evaluation Process

The Board evaluation process involves having Directors complete a Questionnaire seeking their views on various aspects of Board performance, such as Board composition, information, process and accountability. The Company Secretary compiles Directors' responses to the Questionnaire into a consolidated report. The report is discussed at the NC meeting and also shared with the Board. The NC assessed the performance of the Board as a whole, taking into account the Board's composition and size, the Board's access to information, Board processes, Board accountability, standard of conduct and performance of the Board's principal functions and fiduciary duties, and guidance to and communication with the Management.

## Individual Director Evaluation

As from FY2015, the Board also conducted a peer and self evaluation to assess the performance of individual Directors. Performance criteria include factors such as the Director's attendance, preparedness, candour, participation and contribution at Board meetings, industry and business knowledge, functional expertise, and commitment and dedication. The results of the peer and self evaluation are compiled by the Group Company Secretary and given to the Board Chairman, who assesses the performance of the individual Directors, and will discuss with each individual Director if needed.

## Access to Information

*Principle 6: Provision of complete, adequate and timely information prior to board meetings and on an on-going basis*

### Complete, adequate and timely information

The Board is provided with quarterly financial accounts, other financial statements and progress reports of the Group's business operations, as well as analysts' reports on the Company. The quarterly financial results and annual budget are presented to the Board for approval. The monthly internal financial statements are made available to members of the Board. The financial results are also compared against the budgets, together with explanations given for significant variances for the reporting period. The Board also receives regular updates on the industry and technological developments. Such reports enable Directors to keep abreast of key issues and developments in the industry, as well as challenges and opportunities for the Group.

As a general rule, board papers are sent to Directors at least one week in advance in order for Directors to be adequately prepared for the meeting. Senior management attends Board meetings to answer any query from the Directors. The Directors also have unrestricted access to the Company Secretary and Management at all times. Directors are entitled to request from Management and provided with such additional information as needed to make informed and timely decisions.

# Corporate Governance Report

## Company Secretary

The Company Secretary works closely with the Chairman in setting the agenda for Board meetings. She attends all Board meetings and ensures that board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flow within the Board and its Board Committees, and between Management and non-executive Directors. The Company Secretary also organises orientation and training for new Directors, as well as provides updates and advises Directors on all governance matters. The Articles provide that the appointment and removal of the Company Secretary is subject to the approval of the Board.

Should Directors, whether as a group or individually, need independent professional advice relating to the Company's affairs, the Company Secretary will appoint a professional advisor to render the relevant advice. The cost of such professional advice will be borne by the Company.

## Remuneration Matters

### *Principle 7: Formal and transparent procedure for fixing remuneration packages of directors*

The RC is chaired by Dr Lee Boon Yang and comprises Mr Lucien Wong, Ms Tan Yen Yen and Ms Chong Siak Ching, all of whom are non-executive and independent Directors.

The functions of the RC include the following:

- (a) review and recommend to the Board of Directors a framework of remuneration for the Board, Chief Executive Officer ("CEO") and key executives;
- (b) review and recommend to the Board the specific remuneration packages for each director, the CEO and key executives;
- (c) review all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;
- (d) review and administer the share and other incentive scheme(s) adopted by the Group and decide on the allocations to eligible participants under the said scheme(s); and
- (e) review the Company's obligations arising in the event of termination of the executive directors' and key executives' contracts of service, so as to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC sets the remuneration guidelines of the Group for each annual period, including the structuring of long-term incentive plans, annual salary increases and variable and other bonuses for distribution to employees. It administers the SPH Performance Share Plan ("Share Plan") and the Singapore Press Holdings Group (1999) Share Option Scheme ("1999 Scheme"). The RC also reviews the remuneration framework (covering all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind) and specific remuneration packages of Directors including that of the CEO, and key management and submits its recommendations to the Board for endorsement. The RC reviews any overly-generous obligation on the part of the Company in the event of termination, to ensure that such contracts contain fair and reasonable termination clauses. The RC also aims to be fair and avoids rewarding poor performance.

There are no termination, retirement and post-employment benefits granted to Directors, the CEO or the top five key management personnel in FY2015.

The RC may seek expert advice inside and/or outside of the Company on remuneration of Directors and staff. It ensures that in the event of such advice being sought, existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. In FY2015, Carrots Consulting was engaged to advise on staff remuneration matters; they do not have such relationships with the Company.



### Level and Mix of Remuneration

*Principle 8: Appropriate remuneration to attract, retain and motivate directors and key management*

The level and mix of remuneration for Directors and key management is set out under Principle 9. The Company takes into account its long term interests and risk policies and has structured remuneration packages on measured performance taking into account financial and non-financial factors.

### Disclosure on Remuneration

*Principle 9: Clear disclosure on remuneration policy, level and mix*

#### Directors' Remuneration

For the period under review, the CEO's remuneration package includes a variable bonus element and performance share grant, which are based on the Company's and individual performance and have been designed to align his interests with those of shareholders. As an executive Director, the CEO does not receive Directors' fees.

Non-executive Directors, including the Chairman, are paid Directors' fees, subject to the approval of shareholders at the AGM. Directors' fees comprise a basic retainer fee, fees in respect of service on Board Committees, attendance fees, and, where appropriate, fees for participation in special projects, adhoc committees and subsidiary boards. The Directors' fees are appropriate to the level of contribution, taking into account factors such as effort and time spent, and the responsibilities of the Directors.

The Directors' fee structure for service on the Board and Board Committees is as follows:

	S\$
Non-executive Chairman	115,000
Deputy Chairman	78,000
Non-executive Director	60,000
Audit Committee Chairman	37,500
Audit Committee Member	22,500
Nominating/Remuneration/Board Risk Committee Chairman	22,500
Nominating/Remuneration/Board Risk Committee Member	12,500
Executive Committee Chairman	40,000
Executive Committee Member	25,000

The attendance fees payable to Directors for attendance at each Board and Board Committee meeting are as follows:

	S\$
Board meeting	2,000
Board Committee or adhoc committee meeting	1,000

# Corporate Governance Report

A breakdown, showing the level and mix of each individual Director's remuneration payable for FY2015 is as follows:-

Name of Director	Directors' Fees S\$	Base/Fixed Salary %	Variable or Bonuses %	Benefits in Kind %	Share-Based* %	Total S\$
<b>Executive Director</b>						
Chan Heng Loon Alan (CEO)	-	31.33%	34.52%	1.20%	32.96%	2,920,000

\* Based on the fair value of performance shares granted in FY2015.

<b>Independent Directors Below S\$250,000</b>						
Lee Boon Yang (Chairman)	212,000	-	-	-	-	212,000
Janet Ang <sup>1</sup>	89,750	-	-	-	-	89,750
Bahren Shaari	138,375	-	-	-	-	138,375
Chong Siak Ching	103,500	-	-	-	-	103,500
Ng Ser Miang	91,000	-	-	-	-	91,000
Quek See Tiat	145,750	-	-	-	-	145,750
Tan Chin Hwee	113,000	-	-	-	-	113,000
Tan Yen Yen	101,000	-	-	-	-	101,000
Lucien Wong Yuen Kuai	127,875	-	-	-	-	127,875
Cham Tao Soon (Deputy Chairman) <sup>2</sup>	35,375	-	-	-	-	35,375
Sum Soon Lim <sup>3</sup>	35,000	-	-	-	-	35,000

Notes:

1. Ms Janet Ang was appointed as a Director on 17 October 2014.
2. Prof Cham Tao Soon resigned as a Director on 2 December 2014.
3. Mr Sum Soon Lim resigned as a Director on 2 December 2014.

### Remuneration of Key Management Personnel

The Company adopts a remuneration system that is responsive to the market elements and performance of the Company and business divisions respectively. Taking note of the competitive pressures in the talent market, the Board has, on review, decided not to disclose the names of the Company's top five executives. The remuneration of the CEO is set out above. The remuneration of the top five executives of the Company in each remuneration band for this financial year is set out below.

### Key Management Personnel

Remuneration Bands	No. of Executives	Base/Fixed Salary %	Variable or Bonuses %	Benefits in Kind %	Share-Based* %	Total %
Between \$1,500,000 to \$1,749,999	1	38.07%	32.34%	0.04%	29.55%	100%
Between \$1,000,000 to \$1,249,999	2	35.44%	35.90%	0.87%	27.79%	100%
Between \$750,000 to \$999,999	2	46.60%	28.34%	5.99%	19.07%	100%

\* Based on the fair value of performance shares granted in FY2015.

The Company adopts a remuneration policy for staff comprising a fixed component, a variable component, and benefits in kind. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the Company's and individual performance. The benefits in kind include club and car benefits. The RC approves the bonus for distribution to staff based on individual performance.

The annual aggregate remuneration paid to the top five key management personnel of the Company (excluding the CEO) for FY2015 is S\$5,310,000

No employee of the Group was an immediate family member of any Director or the CEO and whose remuneration exceeded S\$50,000 per annum, during this financial year.

### Long Term Incentive Plan

The above remuneration bands include performance shares granted to staff under the Share Plan. The Share Plan was approved by shareholders at an Extraordinary General Meeting held on December 5, 2006 and is administered by the RC.

Staff who participate in the Share Plan are a selected group of employees of such rank and service period as the RC may determine or as selected by the RC. Awards initially granted under the Share Plan are conditional and based on performance assessed over a multi-year performance period. The conditions for such awards were chosen as they reflect medium to longer-term corporate objectives and include both market and non-market conditions. Market conditions include Absolute Total Shareholder Return versus cost of equity and Relative Total Shareholder Return against ST All-Share Index. Non-market conditions include Newspaper Business Free Cash Flow, market competitiveness, quality of returns including sales, efficiency, productivity and profit, and business and productivity growth.

The Share Plan contemplates the award of fully-priced shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met, and upon expiry of the prescribed vesting periods.

# Corporate Governance Report

Senior executives are encouraged to hold a minimum number of shares under the share ownership guideline which requires them to maintain a beneficial ownership stake in the Company, thus further aligning their interests with shareholders.

Furthermore, under an Economic-Value-Added or EVA-driven performance bonus scheme for senior executives, a notional variable bonus bank account is set up for each participating senior executive, into which the annual performance bonus earned by him each year is credited. 1/3 of the total variable bonus bank account, which includes the balance brought forward from the previous year, is paid out, with the balance 2/3 carried forward to the next year. Key senior executives in the Group have been on this EVA-driven performance bonus scheme since the mid-2000s.

Further details on the 1999 Scheme and the Share Plan and the incentives issued, can be found in the Directors' Statement and Notes to the Financial Statements.

Under the 1999 Scheme and the Share Plan, the RC has the discretion to determine if an executive is involved in misconduct, resulting in the forfeiture or lapse of the incentive components of his remuneration or awards, to the extent that such incentive or award has not been released or disbursed.

## Accountability and Audit

### *Principle 10: Board presents the company's performance, position and prospects*

The Board announces its quarterly and full-year financial results which present a balanced and informed assessment of the Company's performance, position and prospects via public announcements and through the SGXNET.

The Board takes adequate steps through the establishment of appropriate internal policies to ensure compliance with legislative and regulatory requirements, including requirements under the SGX Listing Manual.

The Management provides the Board with management accounts and such explanation and information on a regular basis and as the Board may require from time to time, to enable the Board to make a balanced and informed assessment of the Company's performance, position and prospects.

## Risk Management and Internal Controls

### *Principle 11: Sound system of risk governance and internal controls*

The BRC assists the Board in overseeing the risk governance in the Company to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets.

It also determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The BRC is made up of four non-executive and independent Directors, namely, Mr Quek See Tiat (Chairman), Mr Tan Chin Hwee, Ms Tan Yen Yen and Ms Janet Ang. Mr Quek, Mr Tan and Ms Ang are members of both the BRC and the AC. The BRC's objectives include the following:

- (a) Oversee and advise the Board on the Group's risk exposure, risk appetite and risk strategy;
- (b) Review and guide Management in the formulation of the Group's risk policies and in the execution of risk assessment processes and mitigation strategies; and
- (c) Provide the Group with appropriate direction in identifying the risks which may arise when in pursuit of the goals and strategies and determining measures to mitigate the risks.

The Risk Management Department implements the Group's risk management policies and processes, and develops the framework to assist the operating units in identifying, monitoring and managing the risks within the Group. The framework strengthens the Group's capability to recognise and capitalise on new challenges and opportunities so as to add value to Management's decision-making, business planning, resource allocation and operational management. The BRC reviews the Group's risk appetite framework and risk tolerance for the enterprise risks. Using qualitative and quantitative measures, risks are calibrated so that balanced control processes are matched against the strategic objectives of each business unit.

The Risk Management Report is found on pages 96 to 98.

The Internal Audit Division ("IAD") has an annual audit plan, which complements that of the external auditors. IAD's plan focuses on material internal control systems including financial, operational, IT and compliance controls, and risk management. IAD also provides advice on security and control in new systems development, recommends improvements to effectiveness and economy of operations, and contributes to risk management and corporate governance processes. Any material non-compliance or lapses in internal controls together with corrective measures are reported to the AC.

Based on the audit reports and management controls in place, the AC is satisfied that the internal control systems provide reasonable assurance that assets are safeguarded, that proper accounting records are maintained and financial statements are reliable. In the course of their statutory audit, the Company's external auditors will highlight any material internal control weaknesses which have come to their attention in carrying out their normal audit, which is designed primarily to enable them to express their opinion on the financial statements. Such material internal control weaknesses noted during their audit, and recommendations, if any, by the external auditors are reported to the AC.

The CEO and Chief Financial Officer at the financial year-end have provided assurances on the integrity of the financial records/statements, as well the effectiveness of the Company's risk management and internal control systems.

Such assurances include the following:

- internal controls were established and maintained; and
- the Company's internal controls were effective as at the end of the financial year.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and regular reviews performed by Management, the Board and relevant Board Committees, the AC and the Board are of the opinion that the Group's risk management systems and internal controls were adequate and effective as at 31 August 2015 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

### Code of Dealings in Securities

The Group has in place a Code of Dealings in SPH securities, which prohibits dealings in SPH securities by all Directors of the Company and its subsidiaries, and certain employees, within certain trading periods. The "black-out" periods are two weeks prior to the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month prior to the announcement of the Company's full year financial statements. Directors and employees are also reminded to observe insider trading laws at all times, and not to deal in SPH securities when in possession of any unpublished price-sensitive information regarding the Group, or on short-term considerations. The Company issues quarterly reminders to its Directors, relevant officers and employees on the restrictions in dealings in listed securities of the Group as set out above, in compliance with Rule 1207(19) of the SGX Listing Manual.

# Corporate Governance Report

## AUDIT COMMITTEE

### *Principle 12: Establishment of an Audit Committee with written terms of reference*

The AC currently comprises four members, all of whom are independent non-executive Directors. The Chairman of the AC is Mr Bahren Shaari and its members are Mr Quek See Tiat, Mr Tan Chin Hwee and Ms Janet Ang.

The NC is of the view that the members of the AC have sufficient financial management expertise and experience to discharge the AC's functions given their experience as directors and/or senior management in accounting and financial fields. The AC performs the functions as set out in the Code, including the following:

- (a) review the annual audit plans and audit reports of external and internal auditors;
- (b) review the balance sheet and profit and loss accounts of the Company and the consolidated balance sheet and profit and loss accounts of the Group before they are submitted to the Board for approval;
- (c) review the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (d) review the auditors' evaluation of the system of internal accounting controls;
- (e) review the adequacy and effectiveness of the Company's internal controls;
- (f) review the scope, results and effectiveness of the internal audit function;
- (g) review the scope, results and effectiveness of the external audit, and the independence and objectivity of the external auditors annually, and the nature and extent of non-audit services supplied by the external auditors so as to maintain objectivity;
- (h) make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (i) review the Company's whistle-blowing policy, and to ensure that arrangements are in place for concerns about possible improprieties in matters of financial reporting or other matters to be raised and independently investigated, and for appropriate follow-up action to be taken;
- (j) oversee any internal investigation into cases of fraud and irregularities;
- (k) review any interested person transaction;
- (l) approve the hiring, removal, evaluation and compensation of the head of the internal audit function; and
- (m) ensure that the internal audit function is adequately resourced and has appropriate standing within the Company.

The AC has the authority to investigate any matter within its terms of reference, full access to and co-operation by Management, and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC meets with the external and internal auditors, in each case, without the presence of Management, at least once a year. The audit partner of the external auditors is rotated every five years, in accordance with the requirements of the SGX Listing Manual.

Quarterly financial statements and the accompanying announcements are reviewed by the AC before presentation to the Board for approval, to ensure the integrity of information to be released.

During the financial year, the AC reviewed the quarterly financial statements prior to approving or recommending their release to the Board, as applicable; the auditors' evaluation of the system of internal accounting controls; the adequacy and effectiveness of the Company's internal controls; the annual audit plan of the external and internal auditors and the results of the audits performed by them; and the list of interested person transactions. It also reviewed the scope, results and effectiveness of the internal audit and external audit functions; the independence and objectivity of the

external auditors and the non-audit services rendered by them; and the re-appointment of the external auditors and their remuneration. Management's assessment of fraud risks, adequacy of the whistle-blower arrangements and whistle-blower complaints are reviewed by the AC.

The AC takes measures to keep abreast of the changes to accounting standards and issues which have a direct impact on financial statements, with training conducted by professionals or external consultants.

#### External Auditors

The AC has conducted an annual review of the performance of the external auditor and the volume of non-audit services to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors, before confirming their re-nomination. Details of the aggregate amount of fees paid to the external auditors for FY2015, and a breakdown of the fees paid in total for audit and non-audit services, respectively, can be found on page 183.

The Company confirms that the appointment of the external auditors is in accordance with Rules 712 and 715 of the SGX Listing Manual.

None of the AC members is a former partner of the Group's existing auditing firm.

#### Code of Business Ethics and Employee Conduct Policy

The Group has an existing Code of Business Ethics and Employee Conduct Policy ("Ethics Code"), which is posted on the Company's intranet website, to regulate the ethical conduct of its employees.

#### Whistleblowing Policy

The Group also has a Whistleblowing Policy & Procedure which is posted on the SPH Corporate website, to allow staff and external parties such as suppliers, customers, contractors and other stakeholders, to raise concerns or observations in confidence to the Company, about possible irregularities for independent investigation and appropriate follow up action to be taken. Such concerns include dishonesty, fraudulent acts, corruption, legal breaches and other serious improper conduct; unsafe work practices and any other conduct that may cause financial or non-financial loss to the Group or damage to the Group's reputation. The Whistleblowing Policy encourages staff and external parties to identify themselves whenever possible to facilitate investigations, but will also consider anonymous complaints, in certain circumstances. It makes available to staff and external parties the contact details of the Receiving Officer, who may also forward the concern to the respective Heads of Division, CEO, AC Chairman and/or Chairman.

#### Internal Audit

*Principle 13: Establishment of an internal audit function that is independent of the functions it audits*

IAD is staffed by nine audit executives, including the Head of Internal Audit. Most of the IAD staff have professional qualifications, and are members of the Institute of Internal Auditors, Inc. ("IIA"). Some are qualified IT auditors and/or Certified Fraud Examiners. All IAD staff have to adhere to a set of code of ethics adopted from The Institute of Internal Auditors, Inc. The Head of Internal Audit reports directly to the Chairman of the AC on audit matters, and to the CEO on administrative matters. IAD has adopted the Standards for Professional Practice of Internal Auditing set by IIA and ensures staff competency through the recruitment of suitably qualified and experienced staff, provision of formal and on-the-job training, and appropriate resource allocation in engagement planning.

The AC reviews IAD's reports on a quarterly basis. The AC also reviews and approves the annual IA plans and manpower to ensure that IAD has the necessary resources to adequately perform its functions.

The AC approves the hiring, removal, evaluation and compensation of the head of the internal audit function and she is provided with access to the AC.

# Corporate Governance Report

## Shareholder Rights & Responsibilities

### *Principle 14: Fair and equitable treatment of shareholders*

The Group encourages shareholder participation, and ensures that shareholders have the opportunity to participate effectively at general meetings.

All SPH shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights.

To facilitate the exercise of shareholders' rights, the Company ensures that all material information relating to the Company and its financial performance is disclosed in an accurate and timely manner via SGXNET. Shareholders are also informed of rules, including voting procedures that govern the general meeting.

Any notice of a general meeting of shareholders is issued at least 14 days before the scheduled date of such meeting. The Company's Articles also allow any shareholder to appoint proxies during his absence, to attend and vote on his behalf at the general meetings. In addition, shareholders who hold shares through custodial institutions may attend the general meetings as observers.

## Communication with Shareholders

### *Principle 15: Regular, effective and fair communication with shareholders*

The Company holds analysts' briefings of its half-year and full-year results and a media briefing of its full year results. The quarterly financial results are published through the SGXNET, news releases and the Company's corporate website. A webcast of the half-year and full-year results briefing is also available on the website. The date of release of the results is announced through SGXNET two weeks in advance. The Company also conducts analysts' briefings and investor roadshows to maintain regular dialogue with shareholders as well as to solicit and understand the views of shareholders. Information disclosed is as descriptive, detailed and forthcoming as possible. Details are set out on pages 70 and 71. The SPH investor relations team, together with senior management, communicate with investors.

The Company does not practise selective disclosure. Price-sensitive information is first publicly released through SGXNET, either before the Company meets with any investors or analysts or simultaneously with such meetings. All shareholders of the Company receive the summary financial report, and, on request, the full annual report, and notice of AGM, which is held within four months after the close of the financial year. The notice is also advertised in the newspapers. The summary financial report and the annual report are also available on the Company's corporate website, [www.sph.com.sg](http://www.sph.com.sg).

SPH has been declaring dividends at half-year and final year-end. Any payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET when the Company discloses its financial results.

## Conduct of Shareholder Meetings

### *Principle 16: Greater shareholder participation at AGMs*

The Articles allow a shareholder to appoint one or two proxies to attend and vote instead of the shareholder. The Company does not allow a shareholder to vote in absentia at general meetings, except through the appointment of a proxy, attorney or in the case of a corporation, a corporate representative, to cast their vote in their stead.

Resolutions are, as far as possible, structured separately and may be voted on independently. All polls are conducted in the presence of independent scrutineers. The Company also conducts electronic poll voting to ensure greater transparency and efficiency in the voting procedures. The results of the electronic poll voting are published instantaneously at the meeting.



The Company is in full support of shareholder participation at AGMs. For those who hold their shares through CPF nominees and who are not registered as shareholders of the Company, the Company welcomes them to attend the AGM as observers.

The Company prepares minutes of general meetings and makes these minutes available to shareholders upon their request.

All Directors, including the chairmen of the EC, AC, NC, RC and BRC, and senior management, are in attendance at the AGMs and Extraordinary General Meetings to allow shareholders the opportunity to air their views and ask Directors or Management questions regarding the Company. The external auditors also attend the AGMs to assist the Directors in answering any queries relating to the conduct of the audit and the preparation and content of the auditors' report.

#### Directors' attendance at Board and Board Committee Meetings (for the financial year ended 31 August 2015)

Name of Director <sup>1</sup>	Board	Executive Committee	Audit Committee	Remuneration Committee	Nominating Committee	Board Risk Committee
Lee Boon Yang (Chairman)	5 out of 5	6 out of 6	-	3 out of 3	3 out of 3	-
Cham Tao Soon <sup>1</sup> (Deputy Chairman)	1 out of 1	1 out of 1	-	-	1 out of 1	-
Chan Heng Loon Alan (CEO)	4 out of 5	6 out of 6	-	-	-	-
Bahren Shaari	5 out of 5	4 out of 5 <sup>2</sup>	4 out of 4	1 out of 1 <sup>2</sup>	-	-
Chong Siak Ching	5 out of 5	-	1 out of 1 <sup>3</sup>	2 out of 2 <sup>3</sup>	3 out of 3	-
Ng Ser Miang	4 out of 5	-	-	-	3 out of 3	-
Quek See Tiat	5 out of 5	5 out of 5 <sup>4</sup>	4 out of 4	-	-	3 out of 3
Tan Chin Hwee	5 out of 5	1 out of 1 <sup>5</sup>	4 out of 4	-	-	3 out of 3
Sum Soon Lim <sup>1</sup>	1 out of 1	1 out of 1	1 out of 1	-	-	1 out of 1
Tan Yen Yen	5 out of 5	-	-	3 out of 3	-	3 out of 3
Lucien Wong Yuen Kuai	5 out of 5	6 out of 6	-	3 out of 3	2 out of 2 <sup>6</sup>	-
Janet Ang Guat Har	4 out of 4 <sup>7</sup>		2 out of 3 <sup>7</sup>			1 out of 2 <sup>7</sup>

Notes:

1. Prof Cham Tao Soon and Mr Sum Soon Lim resigned as directors on 2 December 2014.
2. Mr Bahren Shaari was appointed as a member of the Executive Committee and resigned as a member of the Remuneration Committee on 2 December 2014.
3. Mr Chong Siak Ching resigned as a member of the Audit Committee and was appointed as a member of the Remuneration Committee on 2 December 2014.
4. Mr Quek See Tiat was appointed as a member of the Executive Committee on 2 December 2014.
5. Mr Tan Chin Hwee is not a member of the Executive Committee but was invited to attend a meeting on 19 June 2015.
6. Mr Lucien Wong was appointed as a member of the Nominating Committee on 2 December 2014.
7. Ms Janet Ang was appointed as a Director on 17 October 2014 and was appointed as a member of the Audit Committee and as a member of the Board Risk Committee on 2 December 2014.

# Risk Management

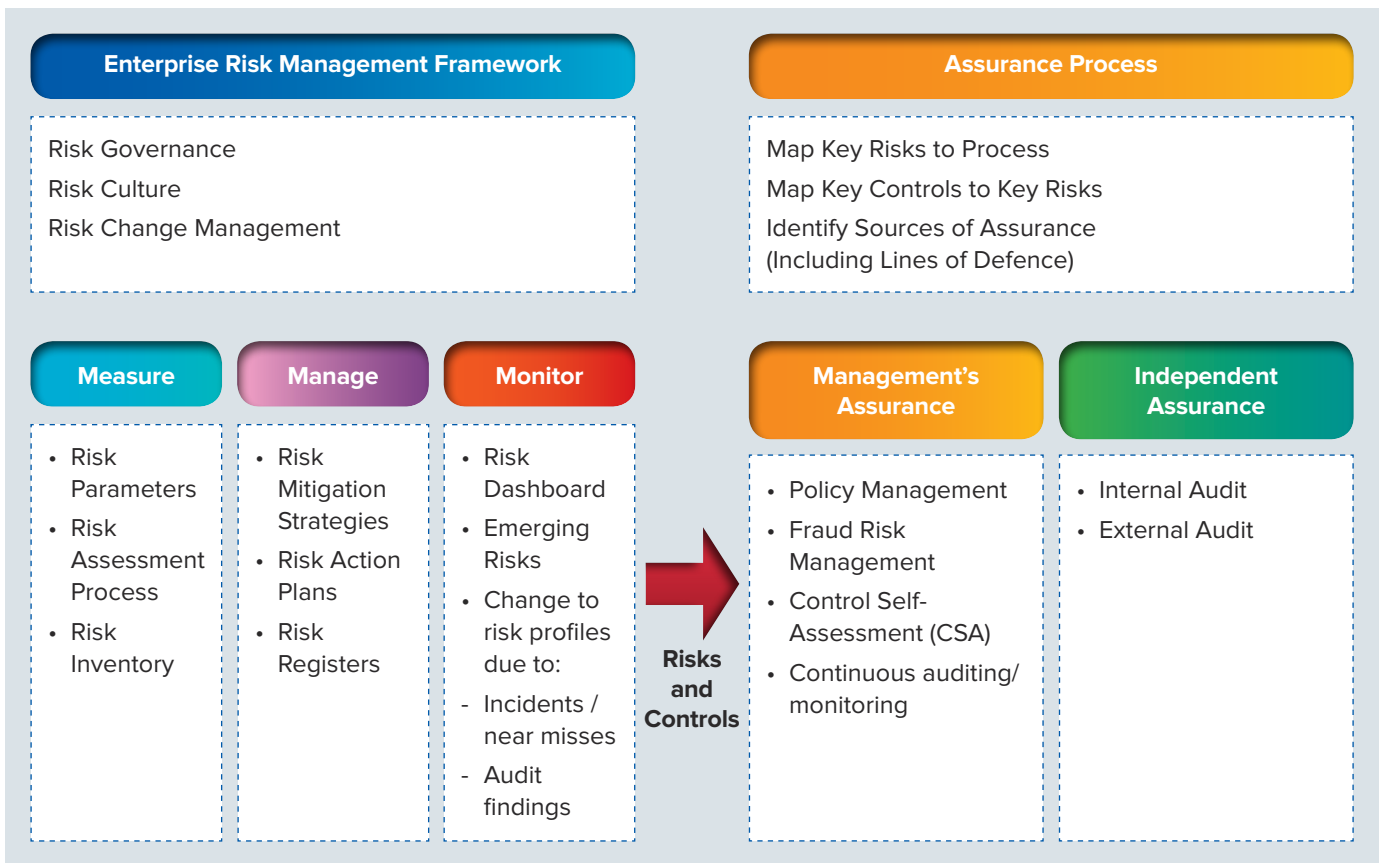
## Risk Management Programme

The business entities of the SPH Group have integrated risk management in their activities to create, enhance, and protect value for stakeholders. Undertaken as part of day-to-day operations, SPH proactively manages risks and has, wherever applicable, complied with the Risk Governance Guidelines for Listed Boards. The Board, through the Board

Risk Committee (BRC), is overall responsible for the governance of risk within the Group and ensures that Management maintains a sound system of risk management and internal controls to safeguard stakeholders' interests and the company's assets. In the process, the Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives.

The Board is also involved in setting and instilling the right culture throughout the Company for effective risk governance.

The Board Assurance Framework below illustrates how the Board obtains assurance on the adequacy of SPH's risk management and internal controls.



SPH advocates a continuous and iterative process for enhancing risk awareness across the organisation through an enterprise-wide risk management framework (ERM) framework. The SPH ERM framework was modelled largely on the ISO 31000:2009 Risk Management – Principles and Guidelines. The framework provides the operating units and support functions (Business Units) a consistent approach for risk identification and

institutes a common platform to discuss and manage risks. Together with the various Business Units, the Risk Management Department (RMD) identifies, manages and reports the key risks faced by the company to the BRC, which then updates the Board. RMD is also responsible for ensuring that the risk management framework is effectively implemented and that risk registers are maintained by the respective Business Units.

All Business Units carry out a risk review on a regular basis to ensure that risk registers are up-to-date and risk controls are enhanced and kept current. RMD makes regular reports on the company's risk management activities which include operational, financial, compliance, information technology management, internal controls and risk management systems to the BRC.

SPH's risk management philosophy is built on a culture where risk exposures are mitigated by calibrating risks to acceptable levels whilst achieving the organisation's business plans and goals. As part of the company's efforts to ensure that risk management practices are firmly established at all levels, nominated risk coordinators from each Business Unit closely monitor and promptly flag risk events. Risks are systematically managed and reviewed at strategic, operational and project levels. Wherever possible, SPH practises risk transfer by purchasing relevant insurance policies such as Industrial Special Risks, Media Industry Professional Indemnity, Public Liability, Work Injury Compensation, Group Personal Accident and Fidelity Guarantee policies. In pursuit of SPH's risk management philosophy, the following ERM principles apply:

- Risks can be managed, but cannot be totally eliminated.
- ERM is aligned with, and driven by, business values, goals and objectives.
- All staff must assume ownership of Risk Management.
- Engagement of BRC on material matters relating to the various types of risks and development of risk controls and mitigation processes.
- Risk management processes are integrated with other processes including budgeting, mid/long-term planning and business development.

The key outputs of SPH's Risk Management are:

- Defining a common understanding of risk classification tolerance.
- Identifying key risks affecting business objectives and strategic plans.
- Identifying and evaluating existing controls and developing additional plans required to treat (mitigate, reduce, transfer, etc) these risks.

- Implementing measures and processes to enable ongoing monitoring and review of risk severity and treatment effectiveness.
- Identifying changes to risks or emerging risks and promptly bringing these to the attention of the Board where appropriate.
- Risk awareness training and workshops.
- Continuous improvement of risk management capabilities.

In the previous year, BRC launched an exercise to review common key risks with a view to normalise the treatment and controls assigned at divisional level. RMD continues to review the common key risks to ensure that the significant divisional risks reflect the treatments and controls that are aggregated at corporate level.

SPH has also developed a risk appetite framework to determine the amount and types of risks it regards as appropriate in order to execute its strategy. The Board regularly reviews and calibrates the high-level risk appetite statements in the context of the Group's strategy and the requirements of various stakeholders, including the regulatory framework in which we operate. Guided by these high-level risk appetite statements, individual divisions and business functions prepare specific risk appetite statements which govern their objectives.

The following sections outline the risk environment that may impact the financial status and operational effectiveness of SPH's businesses and the approaches to managing these risks.

#### **Economic and Business Risks**

Adverse macroeconomic conditions, globally and locally, have a significant impact on SPH's principal business segments. SPH actively manages its risk exposure on the economic front by proactively streamlining its business processes and adopting prudent fiscal controls.

A rapidly evolving multimedia landscape creates challenges to SPH's core business with media convergence providing alternative choices for readers and advertisers. In order to stay ahead of such developments, SPH constantly assesses the risks affecting its business and plans to harness available opportunities to improve its existing products and services as well as creating new ones in response to customer needs. In addition, SPH has diversified into other business areas such as properties, events and offering digital platforms to reduce its dependency on print revenue.

#### **Operational Risks**

As a large organisation with many functions and processes, SPH faces the risk of business operations failing due to human error.

SPH's system of internal controls is designed and operated to support the identification, evaluation and management of risks affecting the group at all operational levels. This system of internal controls focuses on the financial reporting process and the preparation of consolidated accounts and extends across all areas of operations. Operational risk management is integrated into the daily operations of all Business Units. These Business Units are provided with guidance by RMD in the identification, assessment, mitigation and monitoring of risks in their operations.

#### **Technology & Cyber Risks**

In order to sustain the Group's competitive edge in the media industry amidst rapid technology changes, SPH's Information Technology Division plays a vital role by facilitating a thorough understanding of evolving risks in technology and cyber security. It also implements tight controls within the corporate systems to address the threats. In this respect, the Group's Information Technology Acceptable Usage Policy is prescribed to guide all staff on appropriate and

# Risk Management

acceptable use of computing resources including computers, networks, hardware, software, email, applications and data in order to ensure the efficiency and integrity of these computing resources. All systems containing personal data are regularly reviewed to ensure that the security features are adequate for safeguarding and preventing unauthorised use or disclosure of any personal data that is in the Group's possession.

## Regulatory/Compliance Risks

SPH's newspaper business is subject to the annual renewal of its printing licence and newspaper permit licence for each newspaper, pursuant to the provisions of the 'Newspaper and Printing Presses Act' (Chapter 206, Singapore Statutes). Failure on its part to comply with the Act may subject SPH to significant liabilities, such as fines, suspension, or the revocation of the licence. In addition, SPH is also obligated to comply with other statutory and regulatory requirements such as the Singapore Exchange Listing Manual requirements, the Companies Act, the Competition Act, and market practice codes prescribed by the Media Development Authority of Singapore.

In response to such statutory and regulatory requirements, SPH has also implemented compliance frameworks that include instructional tools and processes to monitor the level of compliance and minimise any lapses.

SPH has put in place formal processes for Workplace Safety and Health compliance to all office, warehouses, business and public services. In accordance with the new Energy Conservation Act, SPH will put in place controls at the main printing plant, to reduce energy consumption over the next five years using the energy consumption for 2013 as a base-line.

The Group is committed to comply with the requirements of the Personal Data Protection Act 2012 (PDPA) and has installed a compliance framework containing policies and practices to regulate the proper management of personal data in the Group. The organisation has a process where consent of individuals are obtained for use, collection and distribution of their personal data. In addition, the Group's Privacy Policy Statement is published on its websites to provide the general public with information about how it collects, uses and discloses personal data in its business.

## Newsprint Cost Risks

One of the main cost drivers in SPH business is newsprint prices. The cyclical fluctuation of newsprint prices has a substantial impact on newspaper publishing costs. A significant spike in newsprint price or a reduction in the availability of newsprint can result in higher production costs and impact on its operating margins.

To mitigate against this, SPH adopts measures such as advance purchasing and developing a core group of reliable, sustainable and responsible suppliers.

## Business Continuity Risks

Availability and safety of its printing facilities, editorial functions and data centres are of paramount importance to SPH as its readers rely on SPH to provide them with timely and essential news via its suite of newspapers, online and mobile news and other services.

SPH recognizes the organisation's exposure to internal and external threats and seeks to increase the resilience of the Group to potential business interruptions and to minimise the impact of a crisis on business operations, people and assets. The effective prevention

and recovery for the organisation will ensure that SPH continues to maintain its competitive advantage and maximise value for its stakeholders.

Towards this end, SPH has a comprehensive Business Continuity Planning programme (BCP) to minimise any disruptions to its critical business activities and ensure that the populace continues to be informed in the face of crisis. Simulation exercises are conducted, on location, periodically. Front-line staff, as well as operating and supporting Business Units are involved to ensure operational preparedness. The Group continues to scan for possible threats and establish plans to enhance its BCP.

## Fraud Risks

Every organisation faces some risk of fraud incidents from within. SPH has a Code of Business Ethics and Employee Conduct (Code of Conduct) which states that the company does not tolerate any malpractice, impropriety, statutory non-compliance or wrongdoing by staff in the course of their work. The Code of Conduct covers areas such as fraud, business and workplace behavior, safeguarding of assets, proprietary information and intellectual property. Any breach of the Code of Conduct may result in disciplinary action including dismissal or termination of the employment contract. A WhistleBlower Policy is published on the local network and internet ([http://www.sph.com.sg/whistleblowing\\_policy.shtml](http://www.sph.com.sg/whistleblowing_policy.shtml)) for staff and public information with a hotline number made available for complaints and any observations to be raised.

# Environmental Responsibility

**SPH is committed to being a good corporate citizen that cares for the environment in which it operates in, and actively seeks to promote sustainable growth while achieving business excellence.**

SPH's business operations comply with applicable environmental, legal, health and safety requirements. It works closely with the Workplace Safety and Health Council, Singapore Civil Defence Force, Public Utilities Board (PUB), National Environment Agency (NEA), Building and Construction Authority, Energy Market Authority and other relevant authorities to ensure that it adopts the best practices for environment sustainability.

SPH is also constantly looking for ways to reduce the negative impact on the environment by lowering its carbon emissions and improving energy efficiency in its daily operations. A Green Steering Committee is established to review environmental objectives and shape the green culture in the Group.



## Energy

SPH's printing plant at Print Centre has set up energy conservation measures to meet the requirements of the new NEA Energy Act - to reduce energy consumption by five per cent over the next five years. This is based on 2013 total energy consumption as a baseline. New energy efficiency works were also carried out, which reduced the plant's energy consumption by 13 per cent. The energy efficiency works, scheduled to be completed in December 2015, will yield total energy savings of 18 per cent. This is well above the requirements under the NEA Energy Act.

These measures include –

- Replacement of existing lighting to LED system
- Operating with fewer chillers
- Optimising the compressed air system to minimise air leakages from occurring

SPH Production has also submitted its second Energy Annual Report to NEA as required by the New Energy Act.

Mr Wong Tat Choon, SPH's Assistant Vice-President of Production Division who won the Outstanding Energy Manager of the Year (SME Category) at the Energy Efficiency National Partnership (EENP) Awards last year, was invited to share the plant's energy-saving initiatives with EENP partners at the 3<sup>rd</sup> edition of the "Share and Learn" Session organised by NEA on 24 July 2015.

Moving forward, the Production Division will continue to explore future energy conservation options using renewable energy sources.

At News Centre and Media Centre, SPH implemented environmentally-friendly practices to conserve energy. These were based on recommendations from energy audits that were earlier conducted.

- Replacement of old chillers with more efficient variable speed drive (VSD) chillers
- Replacement of old air handling units (AHU) to improve energy efficiency

- Installation of motion sensors at low-usage areas to reduce energy consumption
- Replacement of high consumption light fittings with energy efficient ones such as LED and induction light fittings

Property officers monitor room temperature settings and operating hours of air-conditioning units for optimal operating efficiency. Security officers conduct daily checks on rooms and offices to ensure lights have been turned off after office hours.

Paragon is fitting its basement carpark with carbon monoxide sensors to control ventilation fan speed, thereby enhancing the air quality for its shoppers. The targeted completion for the installation works is March 2016. By August 2016, the lightings at common corridors and back-of-house areas will be installed with motion sensors to control dimming.

All lightings at The Clementi Mall's common areas have been replaced with LED lights to achieve better energy efficiency.

# Environmental Responsibility

The Information Technology Division periodically upgrades the corporate networks, servers and storage systems across the Group, and uses newer generation computer systems that are more energy efficient. The SPH Data Centre uses energy efficient air-conditioners and ozone-friendly refrigerants. Only Energy Star compliant PCs and notebooks are purchased for use by staff. All these initiatives have contributed to a drop in energy costs.

## Water

In June 2015, Production Division appointed its first Water Manager and submitted its Water Efficiency Management Plan (WEMP) to the PUB. At Print Centre, Production Division stepped up monitoring efforts of its water usage. It converted all existing bulk water meters with Automatic-Meter-Reading (AMR) capability. These AMR meters are capable of feeding usage information via SMS to a centralised server, thus facilitating the monitoring of abnormal water usage.

Across all three SPH centres, property officers conduct regular maintenance checks on the water supply installations such as cooling towers and water tanks for faulty pipe fittings, equipment or pumps. Water efficient fittings and PUB-recommended flow rates for flushing systems have been installed to reduce water consumption.

Paragon is installing a private water meter at its cooling tower to monitor water consumption for the air conditioning system, scheduled for completion in December 2015.

## CASE STUDY

### SPH USES NEWSPRINT AND PAPER FROM SUSTAINABLE SOURCES

With the recent haze situation caused by forest fires in Indonesia, SPH has assured the public that it does not purchase any of its newsprint supplies from the companies which are under probe for links to the forest fires in Indonesia. SPH purchases its newsprint supplies for its newspapers from diversified sources in Europe, North America and the Asia Pacific. 80 per cent of the newsprint used by SPH is derived from recycled paper, with the remaining 20 per cent is from virgin pulp obtained from certified sustainable sources. None of the virgin pulp is sourced from Indonesia.

The certifications include Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), ISO 14001, Certification by the South Korean Board of National Technology and Quality (GR) and EU Ecolabel.

Besides SPH's newsprint, office paper supplies also come from certified vendors approved by Green Label Singapore, FSC and PEFC (see table below).



SN	Description	Brand	Supplier	Source of Supply	Certification
1	A4 Photocopy Paper, 80gsm	Fuji Xerox	Fuji Xerox	Fuji Xerox	FSC
2	A4 Photocopy Paper, 70gsm	Zap copy	Balley	PT Riau Andalan Pulp & Paper	PEFC*
3	A3 Photocopy Paper, 80gsm	PaperOne	Balley	April Fine Paper Trading Pte Ltd	Green Label Singapore
4	A1 Engineering Paper	Dataroll	Bits & Bytes	PT Riau Andalan Pulp & Paper	PEFC*
5	A4 Coloured Photocopy Paper, 80gsm	Sinar	Toprint	PT Indah Kiat Pulp & Paper Tbk	PEFC*
6	Computer Forms	Golden Form	Toprint	PT Pindo Deli Pulp & Paper Mills	PEFC*

\* PEFC - Certification by PEFC Council (Switzerland)

### Other Green Efforts

SPH adheres to environmental recommendations made by the relevant authorities and regulatory bodies.

- a) All refrigerators in the pantry rooms are energy-efficient models that carry the NEA energy labels
- b) Use of LCD TVs with NEA energy labels to save energy
- c) All photocopiers are energy-efficient models with Energy Star labels
- d) Use of environmentally-friendly fertilisers, pest sprays and soil treatment methods for landscaping at all three SPH premises
- e) Lush plants grown on News Centre's Roof Top Garden to reduce heat and save air-conditioning costs
- f) Auto dispensers for hand towels installed in all toilets help to reduce wastage and save costs
- g) Auto soap foam dispensers installed in all toilets help to reduce wastage and save water
- h) Installation of landscape irrigation systems at the roof top gardens of News Centre and Media Centre. This resulted in cost savings from reduced water consumption, fewer incidents of dried-up plants and relieving gardeners of watering duties so that they can spend more time on landscape maintenance works
- i) Use of bio-degradable solutions for cleaning of external building facades

### Reuse and Recycle

SPH adopts a group-wide "Reuse and Recycle" philosophy, where staff are reminded to use resources efficiently, save energy, reduce waste and practise recycling.

- a) Ongoing collection of furniture still in good condition for reuse in other divisions and subsidiaries
- b) Ongoing collection and sale of disposed items such as PCs, furniture and electrical items
- c) Ongoing collection and sale of empty drink cans
- d) Ongoing collection and sale of used toner and fax cartridges
- e) Ongoing collection and sale of printed waste, office scrap and used hand towels
- f) Ongoing collection and sale of old carton boxes
- g) All office waste and newspapers are sorted at the refuse centres at all three locations. Those that have no recyclable value will be disposed into the rubbish compactor. Those with recyclable value will be placed at the refuse centre for packing, bundling and weighing before collection by the scrap contractor
- h) SPH's fleet of Canon Managed Print Service (MPS) devices are RGS Certified and recognised by Singapore Environment Council (SEC). They are environmentally-friendly models which use toner cartridges that can be recycled at all three SPH centres. They have print-on-demand feature and double-sided printing as default setting, which help to reduce paper consumption.



# Employee Responsibility

## Workplace Safety and Health & Fire Safety

### Healthy Living in a Safe Workplace

In line with the theme of “Healthy Living in a Safe Workplace”, the inaugural Health & Safety Week was held from 11-15 May 2015. Jointly organised by Human Resources (HR) Division, Security & Safety Department and the Sports & Leisure Club, this week-long programme was designed to raise staff awareness on health, wellness and workplace safety.

Several activities were organised across all three centres. These included a workplace safety exhibition from the Workplace Safety & Health Council; a health exhibition from Singapore National Employers Federation; the Million Kilogram Challenge (weight management) and I Quit Challenge (smoking cessation) booths from Health Promotion Board (HPB); the SPH Company Emergency Response Team’s (CERT) demonstration of its firefighting capabilities and health fairs and bazaars.

### Enhanced Emergency Response Capabilities

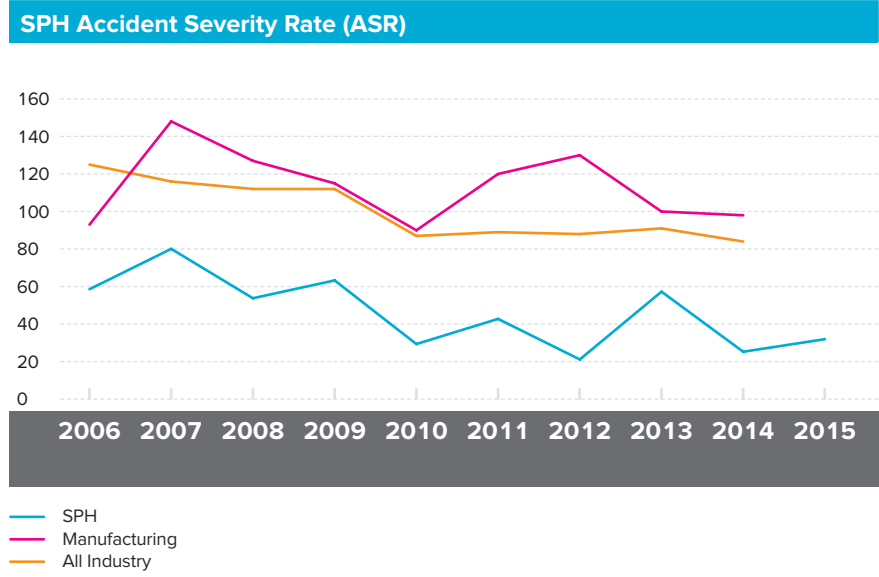
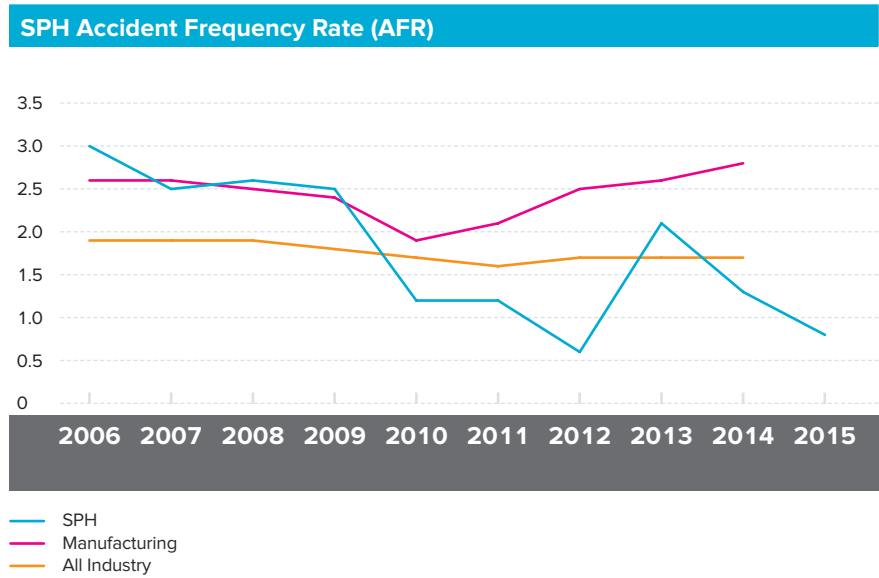
During the Health & Safety Week, SPH announced the formation of the News Centre’s Company Emergency Response Team (CERT). Together with the CERTs from Print Centre and Media Centre, the three CERTs are capable of delivering prompt and professional crisis response to minimise property damage and save lives during emergencies at the three centres. CERTs from both Print Centre and Media Centre continue to receive their annual certification awarded by the Singapore Civil Defence Force (SCDF) since they were established in 2006 and 2007 respectively.

## Workplace Safety and Health Achievements

In March 2015, SPH was presented the Gold award at the Singapore HEALTH Award 2014 ceremony. Organised by HPB every two years, this national award recognises organisations with commendable

Health Promotion Programmes. Since 2008, SPH has consistently clinched the Gold award.

SPH has consistently outperformed the National Manufacturing Accident Frequency Rate (AFR) and Accident Severity Rate (ASR). See charts below.



\* 2015 data is computed from 1<sup>st</sup> January 2015 to 31<sup>st</sup> August 2015 only.



### Working Hand in Hand with Industry Partners

SPH's sustainability strategy also applies to its products and services. SPH is constantly looking at ways to innovate and improve its media products and services to ensure that it serves its customers and advertisers effectively.

For example, The Straits Times was revamped as part of its 170<sup>th</sup> anniversary with a new look and features across its print and digital offerings. It joined 25 other global newspapers to form the Climate Publishers Network, launched by the Global Editors Network, Guardian and El Pais in May 2015. This was a six-month collaboration, based on mutual exchange of articles on climate change, that led to the landmark Climate Change conference in Paris in December 2015.

The Digital Division (DD) takes an active role in the Interactive Advertising Bureau as it ramps up its leadership position in the rapidly developing Asia Pacific digital arena. The Deputy Head of DD, Ms Tan Su-Lin, currently sits on the

Leadership Council, while SPH also has wide representations across several specialised committees such as Content Marketing, Ad Technology, Mobile advertising, and Research & Measurement. These committees play a key role in establishing and propagating industry standards and guidelines to drive accountability, adoption and growth of the digital media industry.

### Sustainability of Operations

DD recognises the significance of scale in the Internet advertising space, evident from global competitors such as Facebook and Google. In the past 12 months, DD worked out agreements with various SPH digital subsidiaries to allow for media representation of their inventory and solutions by the DD ad sales team. This cooperation allowed the SPH Digital Network to be more relevant to a wider range of advertisers. DD consolidated its business volumes with external partners and vendors to achieve bigger discounts or better revenue share rates. More importantly, it successfully deployed tags across core and subsidiary sites to allow for

data collection and user profiling. This initiative gave birth to new advertising solutions and enabled advertisers to secure advertising buys targeted at readers based on interest and intent profiles.

The Straits Times, Lianhe Zaobao, The Business Times and AsiaOne were relaunched across all platforms, including desktop websites as well as smartphone and tablet apps. The desktop websites are now more mobile-friendly, giving readers the optimal user experience when they access our stories via their mobile web browsers.

To prepare for a future scenario where readers can turn on ad blockers to stop online ads from showing up, it put in place "native advertising" offerings throughout its network. Native ads mimic editorial stories by focusing on content and not hard-sell messages. DD is mindful of the need for transparency and the bid to preserve editorial integrity. As such, native ads have been clearly labelled as having commercial links with the tag 'Sponsored Content'.



# Employee Responsibility

## Valuing Human Capital

### Our People

SPH values its employees as the company's key asset. It is committed to nurturing every employee to his or her maximum potential through training and development and to build a talent pipeline to meet current needs and prepare for the future.

SPH's corporate values - **EX**cellence, **C**ustomer Focus, **I**ntegrity, **T**eamwork and **E**mbracing Change (EXCITE) - serve as a value guide for employees to embrace a corporate culture that is aligned to SPH's business aspirations.

### Remuneration

SPH's compensation policy aims to attract, retain, motivate, and engage employees through a flexible performance-based wage system that is responsive to changes in a volatile economic and business environment. This serves to motivate and engage employees towards achieving individual, division, and business targets. SPH also participates in yearly compensation surveys to benchmark the Group's pay structure and employees' pay to the market to ensure relevancy and competitiveness.

The Group also reviews its total benefits package such as medical and dental coverage, regular health screenings, health and wellness programmes, group term insurance coverage, various types of leave and staff loans.

As a family-friendly employer, the Group recently introduced parent-care leave for employees, on top of their current leave entitlement.

### Performance Management

SPH's online electronic performance management system puts employees through an annual performance review where there is an open discussion between the supervisor and the individual on work contributions for the year, areas for

improvement, targets setting and developmental needs for the future. Besides providing transparency in assessing work performance and improvement in communication between the supervisor and the employee, the system also provides a platform to assist employees in their development through continuous learning and training opportunities. The performance management framework is an integral part of the talent development and succession process to meet SPH's current and future needs.

### Training and Development

Investment in staff training and development gives SPH the competitive edge for future growth and success. Through the training programmes offered, employees can acquire relevant skills and expertise and professional qualifications. It is the Group's strong belief that training and development contribute to improvement in performance and productivity.

SPH's comprehensive training and development plan is reviewed annually to ensure that training needs of its employees are met and changing business needs are addressed. The training development programmes include onboarding and induction programmes, soft skills training, functional skills training, journalism programmes and leadership development programmes. Functional skills are designed to address the critical skills needed to drive the Group's business forward.

Employees are sponsored to pursue Diploma, Bachelors and Masters degree programmes to upgrade their skills and qualifications. A 360-degree feedback programme was also implemented to allow employees to solicit feedback from their colleagues. Specific intervention programmes follow up from the 360-degree feedback review to help employees work on their strengths and weaknesses.

## Health and Sustainability

SPH believes that a physically and mentally healthy workforce results in happier and more productive employees. The Group has invested in a comprehensive healthcare and wellness support system, adopting a total healthcare approach by providing employees with medical and dental benefits, complemented with health and wellness programmes. SPH received a Gold Award at the Singapore HEALTH Awards 2014. The award, given by the Health Promotion Board bi-annually, recognises the efforts of companies promoting workplace health.

Staff can attend a wide variety of activities ranging from regular health screenings, talks in financial management, stress management and understanding medical conditions. There are also regular exercise classes organised such as kettle bell training, piloxing, and muay thai. Amenities across the three SPH centres were enhanced, including new gym equipment, installation of new laminated floorings, replacement of new fans and air-conditioning units for better circulation and new furniture to promote socialisation among staff.

Throughout the year, there were activities organised to promote staff health and fitness. To create better health awareness among female staff, a Women's Workout Day was organised where staff took part in a Latinorobics session. A healthy lifestyle campaign was organised by the Sports and Leisure Club across the three SPH centres, showcasing various sporting goods, health products and supplements as well as introduction to new sports and fitness activities.

The Sports & Leisure Club organised a Healthy Eating Day once every three months to educate staff on making healthy food choices. Across all three SPH centres, staff picked up tips on healthy eating and tried out low-fat and low-salt menu items. A Free Salad Day was also organised to encourage staff to pick up healthy eating habits.

This year, SPH launched the Health Improvement Programme where staff from each division competed to show the greatest improvement in health levels. Launched in May 2015, it was jointly organised by Shenton Clinics, Fitness & Health International and HR. The programme delivered targeted plans to improve the overall health of staff, consisting of 12 sessions of talks and 12 sessions of exercises, lasting six months in total. At the end of the period, the division that shows the most improvement through a series of pre-defined measurements is awarded prizes.

The SPH Fitness Challenge was held in October 2014 where staff took a series of tests to gauge their fitness level. In addition, SPH had a Chronic Disease Management Programme (CDMP) that assisted employees with chronic diseases to follow up regularly with the Group's in-house doctors to monitor, improve, and reduce health risks.



To further encourage employees to participate in sports and facilitate camaraderie in the Company, SPH Inter-Division tournaments are organised for a wide range of games throughout the year. This culminates in the presentation of the SPH Championship trophy to the division that scores the most points on Games Day.

Social and recreational activities are organised regularly. Monthly gatherings such as "Up On The Roof" allow employees to relax and mingle with fellow colleagues in an informal setting over food, drinks and games. At the annual SPH Family Day, more than 1,000 employees and family members participated in a fun-filled day at Sentosa's Tanjong Beach in 2015.

## CASE STUDY OVERCOMING THE SOUND BARRIER



Ms Yvonne Chua is a student from Nanyang Polytechnic majoring in Visual Communication. Since June 2015, she has been serving as an intern at The Straits Times (ST) Art Desk.

Yvonne was born with profound hearing loss – she has to wear hearing aids on both ears to help her hear. She is the first intern with a disability to work in SPH.

To prepare for her internship, Yvonne took part in an induction programme conducted by the HR Division. She also learnt to use two software programmes which artists in the newsroom use to upload and share their artwork – Newsplanner and NICA.

Yvonne's transition from being a student to an intern at the ST Art Desk has been smooth, thanks to her colleagues who have been welcoming and helpful in guiding her during the course of her internship.

In spite of her hearing impairment, she has excelled in her job. Recently, her request to extend her internship for another three months was granted by the HR Division.

# Employee Responsibility

## Work Life Harmony

SPH provides employees with flexible work arrangements and a family-friendly working environment. These work arrangements include flexible working hours, part-time work and tele-commuting. The extension of no-pay leave, special arrangements for young parents and provision of nursing rooms for new mothers are examples of such family-friendly initiatives. These policies and practises help retain employees who may otherwise leave the company due to family commitments. In 2015, around 2.8 per cent of employees are on flexible work arrangements.

To foster an inclusive workplace, SPH also employs disabled and special needs staff. See case study "Overcoming the sound barrier".

## Grooming Future Talent

Identifying high potential talent to fill key managements positions is an on-going process to build up the leadership pipeline of SPH. Development opportunities are provided for these future leaders to undergo a robust career development plan. This includes job rotation across different business functions and taking part in a coaching and mentoring programme. There is also a succession planning process which identifies employees with potential to prepare them for future leadership positions. SPH also has in place a forward-looking plan to groom talents by sponsoring their university studies. One such investment is the SPH Journalism Scholarships, which are given out to successful applicants who wish to pursue a career in journalism for studies in top overseas and local universities.

SPH also gives bond-free scholarships to children of staff and newspaper vendors. These awards are SPH's way of recognising the contributions of staff and news vendors who have been instrumental to the Group's success. The SPH Foundation Lim Kim San Memorial Scholarships are bond-free scholarships established in 2006 and aimed at students from modest backgrounds pursuing undergraduate studies in languages, linguistics and humanities at the local universities.

## Employee Communication and Engagement

Employee townhall sessions are conducted regularly by the CEO and the senior management team to communicate to employees on the latest company news and policy changes. Such sessions are also webcasted live to the other centres. Other communication channels include regular division and department meetings, staff broadcasts and the monthly in-house newsletter Presslines, which is produced by the Corporate Communications & CSR Division.

## Employee Turnover

SPH recognises the importance of managing employee turnover in its manpower intensive industry. It has adopted various strategies to attract and retain valued employees. Besides ensuring that the remuneration package remains competitive, investments are made in training and development to equip employees with the necessary skills and prepare them for more challenging appointments. Staff welfare programmes and bonding events are also organised to keep employees engaged.

Employee turnover in SPH as of FY2015 was 16 per cent.

## HR Statistics for SPH Group in FY2015

Employee Profile	No. of Staff
Permanent	4173
Part Timers	51
Temp	165
<b>Total</b>	<b>4389</b>

Employee Profile	No. of Staff
Female	2325
Male	2064
<b>Total</b>	<b>4389</b>

Age Group	No. of Staff
< 30 years	980
30 - 40 years	1295
41 - 50 years	1046
> 50 years	1068
<b>Total</b>	<b>4389</b>

Ethnic Type	No. of Staff
Chinese	3239
Indian	330
Malay	515
Others	305
<b>Total</b>	<b>4389</b>

Nationality Type	No. of Staff
Singaporean	3420
Malaysian	577
Others	392
<b>Total</b>	<b>4389</b>

Attrition	No. of Staff
No. of leavers between 01.09.14 to 31.08.15	744
No. of employees as at 01.09.14	4666
<b>Percentage of leavers</b>	<b>15.9%</b>

# Corporate Social Responsibility

## SPH

**As a socially responsible corporate citizen, SPH gives back to society by actively engaging all segments of the community. Whether it is at the organisational, divisional, departmental or individual level, the growing diversity of programmes and initiatives that SPH champions shows its ability to engage minds and enrich lives through different activities and platforms.**

### Arts & Culture

The annual SPH Gift of Music series, which celebrated its tenth anniversary this year, is instrumental in bringing the arts to the masses and creating a vibrant arts scene in Singapore. A total of 26 concerts were staged throughout the year at various locations, including parks, shopping malls, the heartlands, the Esplanade and the Botanic Gardens, which was recently awarded the UNESCO World Heritage Site. The audiences were entertained with a variety of music genres ranging from classical, pop, jazz, rock to opera.

### Charity & Community

SPH and SPH Foundation donated \$400,000 to 20 charities serving the elderly, disabled and underprivileged children as part of its annual charity cheque presentation at SPH Gift of Music's 10<sup>th</sup> Anniversary Concert at the Esplanade in July 2015. The charities, recommended by the National Council of Social Service, included The Seniors Helpline, Care Corner Counselling Centre, HELP Family Service Centre, APSN Katong School, Towner Gardens School and St Andrew's Autism School.

Past and present beneficiaries supported by the annual charity giving were also invited to attend this special concert. Besides monetary donations, SPH also gives in-kind donations to different charitable organisations throughout the year.

The SPH Staff Volunteers Club was launched in 2010 to enhance the company's image as a good corporate citizen and to encourage active volunteerism among staff. It comprises members from different departments in SPH and organises many charity activities. The Club

visited patients from Bright Vision Hospital in March 2015. The elderly took part in games and karaoke, and those who celebrated their birthdays were presented with cake and gifts. In celebration of the Club's 5<sup>th</sup> anniversary in July 2015, it sponsored a group of 40 seniors from Toa Payoh Care Corner Seniors Activity Centre to lunch at Dignity Kitchen, a social enterprise that trains the disadvantaged and disabled to be hawkers. The Club also organises other activities like the annual SPH Charity Carnival, Lunching in the Dark and SPH Food for Furry Friends.



## Corporate Social Responsibility

The SPH Red Apple Day, into its 15<sup>th</sup> year, encourages both SPH staff and members of the public to donate blood. Held in partnership with the Singapore Red Cross Society, it was made a biannual drive in 2011 to encourage blood donations during festive periods when blood supplies are usually low.

SPH is also a loyal supporter of the Boys' Brigade Share-A-Gift programme. In celebration of SPH's 30<sup>th</sup> anniversary last year, staff of SPH fulfilled more than 300 wishes and gave close to \$18,000 worth of contributions to four charitable organisations serving children and elderly beneficiaries. A year-end party was also held at SPH News Centre for 80 beneficiaries and their family members and caregivers from Club Rainbow.

Besides giving as a Group, SPH's products are also actively involved in community and charity projects to help those in need. The Straits Times School Pocket Money Fund (SPMF) was started in 2000 as a community project initiated by The Straits Times to provide pocket money to children from low-income families to help them through school. SPMF received its charity status in November 2011 and supports about 14,000 children and youths a year. It disbursed close to \$50 million and helped more than 130,000 cases of needy children and youths since its inception.

The annual ChildAid concerts provide a platform for children and youths to showcase their talents and be involved in charity at the same time. Co-organised by The Straits

Times and The Business Times, last year's event raised a record \$2.327 million for its two youth-related beneficiaries, The Straits Times School Pocket Money Fund and The Business Times Budding Artists Fund. Held at the Marina Bay Sands in December, the audience was treated to a star-studded line up who sang and performed.

The Chinese Media group has been organising fund raising events in support of the President's Challenge since 2002. The 2015 Getai Awards Night, which was graced by President Tony Tan Keng Yam, was held in October 2015 and net proceeds from ticket sales were channelled to the appointed beneficiaries under the President's Challenge 2015.



### Education

As part of its efforts to build an effective team of human capital, SPH awarded five outstanding young men and women with the SPH Journalism Scholarships this year. SPH also gave out 15 scholarships to the children of SPH staff and newspaper vendors, in recognition of their contributions to the company.

### Nature & Conservation

The SPH Flea Market, a collaboration between SPH and The Salvation Army, was made a biannual drive this year to encourage more staff to recycle usable items while raising funds for charity at the same time. Held at SPH News Centre Auditorium, the event raised more than \$15,000 for the beneficiaries of The Salvation Army over two drives.

SPH received a Heritage Tree dedicated by The National Parks Board (NParks) in appreciation of its contributions to promote Singapore as a City in a Garden. A Heritage Tree Dedication Award is a prestigious mark of recognition for any organisation or individual who has contributed to the greening of Singapore. SPH is the proud sponsor of The SPH Walk of Giants, a Learning Forest at the Singapore Botanic Gardens, which will be unveiled next year. See case study on page 112.

### Sports

SPH aims to promote lifelong values such as character building, discipline and teamwork through its support of various sports events. Together with the Singapore Athletic Association, SPH hosted the

SPH Schools Relay Championships at the Toa Payoh stadium on 14 and 15 March. The competition attracted more than 800 participants from 30 schools.

SPH is also Bronze sponsor for GymFest Singapore. Organised by Singapore Gymnastics, the event aims to promote a healthy lifestyle and provides a platform for people of all ages and abilities to showcase their talents through creative performances.



# Corporate Social Responsibility

## SPH Foundation

**Singapore Press Holdings Foundation (SPH Foundation) is a registered charity and an Institution of Public Character. Incorporated in 2003 with a seed funding of \$20 million from SPH, it is committed to build a community that embraces language enrichment, creativity, diversity, healthy living and sports.**



### Arts & Culture

The SPH Foundation Arts Fund supports local arts productions and gives the underprivileged the opportunity to enjoy and appreciate the arts by purchasing tickets to these productions. Beneficiaries from various Voluntary Welfare Organisations (VWOs) like Thye Hua Kwan Family Service Centre, Dyslexia Association of Singapore and YMCA Singapore were treated to performances by local arts groups such as Toy Factory and Drama Box.

SPH Foundation is also the Company Sponsor of the Singapore Repertory Theatre's The Little Company, which features professional full-time actors and produces quality plays for children up to 12 years old. The plays serve as excellent opportunities for family bonding while teaching the children values such as caring and sharing.

### Charity & Community

SPH Foundation donated \$200,000 to 10 charities serving underprivileged children and youths, as part of the annual SPH and SPH Foundation charity cheque presentation this year. Charities that benefitted from the donations included AWWA School, Metta School, Experiential Learning and Mentoring Programme (Woodlands) and Rainbow Centre - Margaret Drive School. SPH Foundation also donated to other charitable organisations throughout the year.

### Education

SPH Foundation gave out the Lim Kim San Memorial Scholarships to 11 deserving students from modest backgrounds to fund their studies at local universities. Since its inception in 2006, 74 bond-free scholarships have been given out to deserving students reading languages, linguistics and the humanities.

For the fourth consecutive year, SPH Foundation was the Presenting Sponsor of "The Straits Times - MOE National Current Affairs Quiz 2015". The quiz heightened the awareness of current affairs amongst pre-university students and encouraged them to develop the habit of reading news publications.

SPH Foundation was sponsor of "Shop For Your School", a campaign that rewards best proposals by students to make a difference to their school, peers or community. It is organised by Little Red Dot, a student publication by The Straits Times. Applications were received from a range of primary schools, including some special needs schools.

The seventh edition of the Eminent Speakers Series was held in November 2014. Dr Martin Jacques, a Senior Fellow at the Department of Politics and International Studies,





Cambridge University, and a Visiting Professor at Tsinghua University, Beijing and the Lee Kuan Yew School of Public Policy, Singapore, spoke on the theme "Why China Will be A Very Different Kind of Great Power". Jointly organised by Lianhe Zaobao and Business China, and supported by SPH Foundation, the series invites prominent personalities who are highly regarded authorities in their respective fields to share their unique perspectives and insights on a broad range of topics, including current affairs, politics, business, economics, media, culture and the arts.

SPH Foundation also sponsored a three-day workshop organised by the Wee Kim Wee School of Communications and Information. The workshop was designed to introduce junior college students

to Chinese language journalism on multiple platforms including print, broadcast and new media.

#### Nature & Conservation

SPH Foundation is the proud adopter of the Amazon Flooded Forest at the River Safari, as well as Inuka the polar bear and the SPH Foundation Conservation Centre at the Singapore Zoo. It also sponsors the High Flyers Show at Jurong Bird Park.

SPH Foundation is also the pioneering sponsor of the Special Projects to Understand Nature (SUN) Club, a partnership with The National Parks Board (NParks) that brings tailor-made nature appreciation projects to students with special needs. A total of 931 students from six schools benefitted from the nature trips this year.

#### Sports

SPH Foundation sponsored the fourth edition of the SPH Foundation National Primary Schools Tchoukball Championships. In addition to promoting an active lifestyle amongst primary school students, the event also aims to inculcate values such as teamwork, discipline and sportsmanship.



# Corporate Social Responsibility

A total of 61 teams took part in the Senior Division (for Primary 6 students) segment, which was held at Junyuan Primary School on 21 May 2015. The Junior Division (for Primary 4 and 5 students) segment will take place in November 2015.

SPH Foundation partnered the Singapore Disability Sports Council (SDSC) to host the fifth edition of the SPH Foundation National Para-Swimming Championships on 25 July 2015 at the OCBC Aquatic Centre. The annual event is aimed at creating opportunities for persons with

disabilities to swim at a competitive level. Over 90 para-athletes from 17 special schools, associations and clubs took part in this one-day event. Outstanding swimmers were selected to represent Singapore in prestigious competitions such as the Asian Para and ASEAN Para games.

## CASE STUDY

### SPH RECEIVES HERITAGE TREE FOR CONTRIBUTING TO GREENING OF SINGAPORE



SPH received a Heritage Tree dedicated by NParks in appreciation of its contributions to promote Singapore as a City in a Garden.

Prime Minister Lee Hsien Loong presented the Heritage Tree Dedication Award to SPH CEO Alan Chan at the launch of the Clean and Green Singapore 2015 campaign on 8 November 2014.

Heritage Trees are dedicated to recognise organisations or individuals who have donated significant amounts (SGD\$500,000 and above) to the Garden City Fund. A Heritage Tree Dedication Award is a prestigious mark of recognition for any organisation or individual who has contributed to the greening of Singapore. Each Heritage Tree Dedication is for life.

SPH is the proud sponsor of The SPH Walk of Giants, a Learning Forest at the Singapore Botanic Gardens. To be unveiled in 2016, it aims to promote botanical research, appreciation and conservation. Since 2006, SPH Foundation has also been sponsoring NParks' "Special Projects to Understand Nature" (SUN) Club programme, a series of nature appreciation tours for special needs children to understand and admire nature.

SPH's Heritage Tree is the Purple Millettia. It was planted in 1889 when the lawn adjacent to Swan Lake was developed for a collection of plants from the bean family. Native to this region, the Purple Millettia is a handsome, evergreen tree which can grow up to 30m height. It has a dense, dome-like crown and its dark glossy leaves give it a dark appearance. Its flowers are reddish purple. Pods are hard, brown, leathery, thick and flat, around 10x 6cm in size, with 1-2 seeds in a pod.

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# Directors' Statement

for the financial year ended August 31, 2015

The Directors present this statement to the members together with the audited financial statements of Singapore Press Holdings Limited and its subsidiaries (the "Group") for the financial year ended August 31, 2015 and the balance sheet of Singapore Press Holdings Limited (the "Company") as at August 31, 2015.

## DIRECTORS

1. The Directors of the Company in office at the date of this statement\* are:

Lee Boon Yang  
 Chan Heng Loon Alan  
 Janet Ang Guat Har (appointed on October 17, 2014)  
 Bahren Shaari  
 Chong Siak Ching  
 Ng Ser Miang  
 Quek See Tiat  
 Tan Chin Hwee  
 Tan Yen Yen  
 Lucien Wong Yuen Kuai

\* Prof Cham Tao Soon and Mr Sum Soon Lim stepped down as Directors on December 2, 2014.

## ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

2. Neither during nor at the end of the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed under 'Share Options in the Company' and 'Performance Shares in the Company' in this statement.

## DIRECTORS' INTERESTS IN SHARES

3. The Directors holding office as at August 31, 2015 had interests in shares, and options and awards over shares, in the Company and its related corporations, and interests in units in SPH REIT, as recorded in the register of Directors' shareholdings as follows:

	Direct Interests			Deemed Interests		
	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015
<b>Singapore Press Holdings Limited</b>						
<u>Management Shares</u>						
Lee Boon Yang	4	<b>4</b>	<b>4</b>	–	–	–
Chan Heng Loon Alan	8	<b>12</b>	<b>12</b>	–	–	–
Janet Ang Guat Har	4	<b>4</b>	<b>4</b>	–	–	–
Bahren Shaari	4	<b>4</b>	<b>4</b>	–	–	–
Chong Siak Ching	4	<b>4</b>	<b>4</b>	–	–	–
Ng Ser Miang	4	<b>4</b>	<b>4</b>	–	–	–
Quek See Tiat	4	<b>4</b>	<b>4</b>	–	–	–
Tan Chin Hwee	4	<b>4</b>	<b>4</b>	–	–	–
Tan Yen Yen	4	<b>4</b>	<b>4</b>	–	–	–
Lucien Wong Yuen Kuai	4	<b>4</b>	<b>4</b>	–	–	–

# Directors' Statement

for the financial year ended August 31, 2015

## DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Direct Interests			Deemed Interests		
	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015
<u>Ordinary Shares</u>						
Chan Heng Loon Alan	934,650	<b>1,114,650</b>	<b>1,114,650</b>	–	–	–
Janet Ang Guat Har	–	–	–	4,250	<b>4,250</b>	<b>4,250</b>
Quek See Tiat	–	–	–	47,000	<b>47,000</b>	<b>47,000</b>
Lucien Wong Yuen Kuai	–	–	–	20,000	<b>20,000</b>	<b>20,000</b>
<u>Options for Ordinary Shares</u>						
Chan Heng Loon Alan	1,175,000	<b>537,500</b>	<b>537,500</b>	–	–	–
<u>Conditional Awards of Performance Shares**</u>						
Chan Heng Loon Alan						
78,334# shares to be vested in January 2015	Up to 92,400##	Up to –^^	Up to –^^	–	–	–
200,000# shares to be vested in January 2015	Up to 300,000##	Up to –^^	Up to –^^	–	–	–
80,000# shares to be vested in January 2016	Up to 100,801##	Up to <b>78,400##</b>	Up to <b>78,400##</b>	–	–	–
200,000# shares to be vested in January 2016	Up to 300,000##	Up to <b>300,000##</b>	Up to <b>300,000##</b>	–	–	–
80,000# shares to be vested in January 2017	Up to 76,800##	Up to <b>92,801##</b>	Up to <b>92,801##</b>	–	–	–
200,000# shares to be vested in January 2017	Up to 300,000##	Up to <b>300,000##</b>	Up to <b>300,000##</b>	–	–	–
53,333# shares to be vested in January 2018	Up to 38,399##	Up to <b>76,800##</b>	Up to <b>76,800##</b>	–	–	–
200,000# shares to be vested in January 2018	–	Up to <b>300,000##</b>	Up to <b>300,000##</b>	–	–	–
26,666# shares to be vested in January 2019	–	Up to <b>38,399##</b>	Up to <b>38,399##</b>	–	–	–
<b>Singapore News and Publications Limited</b>						
<u>Management Shares</u>						
Chan Heng Loon Alan	1^	1^	1^	–	–	–

# Directors' Statement

for the financial year ended August 31, 2015

## DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Direct Interests			Deemed Interests		
	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015	Sept 1, 2014*	Aug 31, 2015	Sept 21, 2015
<b>The Straits Times Press (1975) Limited</b>						
<u>Management Shares</u>						
Chan Heng Loon Alan	1 <sup>^</sup>	1 <sup>^</sup>	1 <sup>^</sup>	–	–	–
<b>SPH REIT</b>						
<u>Units</u>						
Lee Boon Yang	300,000	<b>300,000</b>	<b>300,000</b>	–	–	–
Chan Heng Loon Alan	–	–	–	200,000	<b>200,000</b>	<b>200,000</b>

\* Or date of appointment, if later.

\*\* Represents performance shares granted from FY2011 to FY2015.

# The number of shares represents the shares required if awarded at 100% of the grant.

## The shares awarded at the vesting date could range from 0% to 150% depending on the level of achievement against the pre-set performance conditions.

^^ During the financial year, 280,000 shares were vested and awarded to Mr Chan Heng Loon Alan.

^ Held as nominee for Singapore Press Holdings Limited.

## SHARE OPTIONS IN THE COMPANY

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

4. (a) The 1999 Scheme was approved by shareholders at an Extraordinary General Meeting held on July 16, 1999 and is administered by the Remuneration Committee ("the Committee"). At another Extraordinary General Meeting held on December 5, 2006, the shareholders approved the adoption of the SPH Performance Share Plan and the 1999 Scheme was terminated with regard to the grant of further options. Options granted and outstanding prior to the termination will continue to be valid and be subject to the terms and conditions of the 1999 Scheme.
  - (b) Details of options granted previously have been disclosed in the Directors' Reports for the respective years.
  - (c) No ordinary shares were issued during the financial year pursuant to the exercise of options granted under the 1999 Scheme.
  - (d) The aggregate number of options granted since the commencement of the 1999 Scheme on July 16, 1999 to December 5, 2006 is 103,090,950.
  - (e) The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.
5. At the end of the financial year, unissued ordinary shares of the Company under options granted pursuant to the 1999 Scheme were as follows:

Grant Date	Expiry Date	Exercise Price (S\$)	Balance
16.12.05	16.12.15	4.30	8,574,350

# Directors' Statement

for the financial year ended August 31, 2015

## PERFORMANCE SHARES IN THE COMPANY

### SPH Performance Share Plan ("the Share Plan")

6. (a) The Share Plan was approved by shareholders at an Extraordinary General Meeting held on December 5, 2006 and is administered by the Committee.
- (b) Persons eligible to participate in the Share Plan are selected Group Employees of such rank and service period as the Committee may determine, and other participants selected by the Committee.
- (c) Awards initially granted under the Share Plan are conditional and will be principally performance-based with performance conditions to be set over a multi-year performance period. Performance conditions are intended to be based on medium- to longer-term corporate objectives and include both market and non-market conditions. Market conditions include Absolute Total Shareholder Return versus cost of equity and Relative Total Shareholder Return against ST All-Share Index. Non-market conditions include Newspaper Business EBITDA, distributable income of SPH REIT, market competitiveness, quality of returns including sales, efficiency, productivity and profit, and business and productivity growth.
- (d) The Share Plan contemplates the award of fully-paid shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met and upon expiry of the prescribed vesting periods.
- (e) Senior management are required to hold a minimum number of shares under the share ownership guideline which requires them to maintain a beneficial ownership stake in the Company, thus further aligning their interests with shareholders.
7. (a) During the financial year, 1,824,955 performance shares were granted subject to the terms and conditions of the Share Plan as follows:

Category	No. of Persons	No. of Performance Shares Granted
Executive Director	1	280,000 <sup>1</sup>
Employee	161	1,544,955 <sup>2</sup>
	162	1,824,955

<sup>1</sup> 80,000 granted with non-market conditions, and 200,000 granted with both market and non-market conditions.

<sup>2</sup> 1,010,955 granted with non-market conditions, and 534,000 granted with both market and non-market conditions.

The aggregate number of performance shares granted since the commencement of the Share Plan on December 5, 2006 to August 31, 2015 is 18,950,750 performance shares.

The above figures represent the shares required if participants are awarded at 100% of the grant. However, the shares awarded at the vesting date could range from 0% to 150%, depending on the level of achievement against the pre-set performance conditions.

- (b) 1,844,252 ordinary shares were delivered during the financial year pursuant to the vesting of awards granted under the Share Plan.

The aggregate number of performance shares comprised in awards which are outstanding as at August 31, 2015 is 5,263,312 performance shares.

# Directors' Statement

for the financial year ended August 31, 2015

## OTHER INFORMATION ON OPTIONS AND AWARDS

8. Details of the options and awards granted to a Director under the 1999 Scheme and the Share Plan are as follows:

### 1999 Scheme

Name of Director	Aggregate options outstanding as at 1.9.14	Aggregate options granted and accepted since commencement of 1999 Scheme on 16.7.99 to 31.8.15	Aggregate options exercised since commencement of 1999 Scheme on 16.7.99 to 31.8.15	Aggregate options outstanding as at 31.8.15	Number of new ordinary shares issued pursuant to exercise of options during the financial year under review	Number of existing ordinary shares transferred pursuant to exercise of options during the financial year under review
Chan Heng Loon Alan	1,175,000	2,125,000	950,000	537,500	–	–

### Share Plan

Name of Director	Aggregate awards outstanding as at 1.9.14	Aggregate awards granted since commencement of Share Plan on 5.12.06 to 31.8.15	Aggregate awards released during the financial year under review	Aggregate awards outstanding as at 31.8.15
Chan Heng Loon Alan	Up to 1,208,400	Up to 3,275,700	280,000 <sup>#</sup>	Up to 1,186,400

<sup>#</sup> All of the ordinary shares were delivered by way of the transfer of treasury shares. No new ordinary shares were issued.

In respect of the 1999 Scheme and the Share Plan:

- The 1999 Scheme has been terminated with regard to the grant of further options. No options were granted under the 1999 Scheme during the financial year under review.
- The Rules of the 1999 Scheme did not allow for options to be granted at a discount.
- Details of the ordinary shares delivered pursuant to awards granted under the Share Plan are set out in the notes to the financial statements. The prices at which the ordinary shares were purchased have been previously announced.
- No options or awards under the 1999 Scheme and the Share Plan have been granted to controlling shareholders of the Company or their associates.
- No participant has received in aggregate 5% or more of (a) the total number of new ordinary shares available under the Share Plan and 1999 Scheme collectively, and (b) the total number of existing ordinary shares delivered pursuant to awards released under the Share Plan and options exercised under the 1999 Scheme.



# Directors' Statement

for the financial year ended August 31, 2015

## AUDIT COMMITTEE

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

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

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

## AUDITORS

10. The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

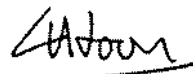
## DIRECTORS' OPINION

11. In the opinion of the Directors,
- (a) the consolidated financial statements of the Group and the balance sheet of the Company, as set out on pages 121 to 208, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at August 31, 2015, and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and
  - (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Directors



**Lee Boon Yang**  
Chairman



**Chan Heng Loon Alan**  
Director

Singapore,  
October 13, 2015

# Independent Auditors' Report

to the members of Singapore Press Holdings Limited

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Singapore Press Holdings Limited (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and the Company as at August 31, 2015, the income statement, statement of comprehensive income, statement of changes in total equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 121 to 208.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at August 31, 2015 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



**KPMG LLP**

*Public Accountants and  
Chartered Accountants*

Singapore  
October 13, 2015

# Balance Sheets

as at August 31, 2015

	Note	Group		Company	
		Aug 31, 2015 S\$'000	Aug 31, 2014 S\$'000	Aug 31, 2015 S\$'000	Aug 31, 2014 S\$'000
<b>CAPITAL EMPLOYED</b>					
Share capital	4	522,809	522,809	522,809	522,809
Treasury shares	4	(13,408)	(3,046)	(13,408)	(3,046)
Reserves	5	482,704	526,409	50,167	59,884
Retained profits		2,626,708	2,640,923	792,423	614,378
Shareholders' interests		3,618,813	3,687,095	1,351,991	1,194,025
Non-controlling interests	6	727,837	709,088	–	–
<b>Total equity</b>		<b>4,346,650</b>	4,396,183	<b>1,351,991</b>	1,194,025
<b>EMPLOYMENT OF CAPITAL</b>					
<b>Non-current assets</b>					
Property, plant and equipment	9	249,976	285,562	139,641	166,318
Investment properties	10	3,940,951	3,860,451	–	–
Investments in subsidiaries	11	–	–	419,250	411,805
Investments in associates	12	75,874	78,353	31,160	31,160
Investments in joint ventures	13	16,295	6,688	–	–
Long-term investments	14	617,312	603,266	38,001	42,998
Intangible assets	15	188,595	173,152	32,211	34,219
Trade and other receivables	17(a)	4,442	3,672	3,675	232,238
Derivative financial instruments	19	4,631	–	–	–
		5,098,076	5,011,144	663,938	918,738
<b>Current assets</b>					
Inventories	16	12,477	23,947	10,785	22,215
Trade and other receivables	17(b)	192,138	144,443	1,455,812	1,566,378
Short-term investments	18	474,633	1,028,026	32,055	207,536
Derivative financial instruments	19	472	899	–	3
Cash and cash equivalents	20(a)	292,246	442,937	152,929	189,271
		971,966	1,640,252	1,651,581	1,985,403
<b>Total assets</b>		<b>6,070,042</b>	6,651,396	<b>2,315,519</b>	2,904,141
<b>Non-current liabilities</b>					
Trade and other payables	21(a)	48,199	34,875	5,471	–
Deferred income tax liabilities	7(a)	50,658	46,901	23,208	25,308
Borrowings	8	947,271	879,107	–	–
Derivative financial instruments	19	–	8,757	–	–
		1,046,128	969,640	28,679	25,308
<b>Current liabilities</b>					
Trade and other payables	21(b)	271,171	298,046	818,445	819,334
Current income tax liabilities		62,331	60,502	31,404	35,689
Borrowings	8	336,681	926,369	85,000	829,482
Derivative financial instruments	19	7,081	656	–	303
		677,264	1,285,573	934,849	1,684,808
<b>Total liabilities</b>		<b>1,723,392</b>	2,255,213	<b>963,528</b>	1,710,116
<b>Net assets</b>		<b>4,346,650</b>	4,396,183	<b>1,351,991</b>	1,194,025

The accompanying notes form an integral part of these financial statements.

# Consolidated Income Statement

for the financial year ended August 31, 2015

		Group	
	Note	2015 S\$'000	2014 S\$'000
<b>Operating revenue</b>	23		
Media		<b>902,506</b>	963,380
Property		<b>230,751</b>	204,985
Others		<b>43,823</b>	46,819
		<b>1,177,080</b>	1,215,184
Other operating income		<b>27,636</b>	15,891
		<b>1,204,716</b>	1,231,075
Materials, production and distribution costs		<b>(176,128)</b>	(199,394)
Staff costs	24	<b>(371,610)</b>	(374,519)
Premises costs		<b>(67,952)</b>	(64,899)
Depreciation	9	<b>(49,582)</b>	(54,332)
Other operating expenses	25	<b>(152,324)</b>	(153,902)
Finance costs	26	<b>(33,620)</b>	(35,066)
Operating profit <sup>#</sup>		<b>353,500</b>	348,963
Fair value change on investment properties		<b>36,258</b>	109,076
Net income from investments	27	<b>51,707</b>	48,215
Share of results of associates and joint ventures		<b>(11,220)</b>	(30,726)
Gain on partial divestment of a joint venture		–	52,863
<b>Profit before taxation</b>		<b>430,245</b>	528,391
Taxation	7(b)	<b>(59,823)</b>	(57,655)
<b>Profit after taxation</b>		<b>370,422</b>	470,736
Attributable to:			
<b>Shareholders of the Company</b>		<b>321,701</b>	404,286
Non-controlling interests	6	<b>48,721</b>	66,450
		<b>370,422</b>	470,736
<b>Earnings per share (S\$)</b>	29		
Basic		<b>0.20</b>	0.25
Diluted		<b>0.20</b>	0.25

<sup>#</sup> This represents the recurring earnings of the media, property and other businesses.  
The accompanying notes form an integral part of these financial statements.

# Consolidated Statement of Comprehensive Income

for the financial year ended August 31, 2015

	Note	Group	
		2015 S\$'000	2014 S\$'000
<b>Profit after taxation</b>		<b>370,422</b>	470,736
<b>Other comprehensive income, net of tax</b>			
<u>Items that may be re-classified subsequently to profit or loss</u>			
Capital reserve			
- share of capital reserves of associates		<b>190</b>	–
Cash flow hedges			
- net fair value changes		<b>7,970</b>	(14,317)
- transferred to income statement		<b>5,919</b>	6,597
Net fair value changes on available-for-sale financial assets	5(d)		
- net fair value changes		<b>(12,605)</b>	109,211
- transferred to income statement		<b>(35,330)</b>	(5,353)
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures		<b>(115)</b>	(1,823)
		<b>(33,971)</b>	94,315
<b>Total comprehensive income</b>		<b>336,451</b>	565,051
Attributable to:			
<b>Shareholders of the Company</b>		<b>284,049</b>	501,206
Non-controlling interests	6	<b>52,402</b>	63,845
		<b>336,451</b>	565,051

The accompanying notes form an integral part of these financial statements.

# Consolidated Statement of Changes in Total Equity

for the financial year ended August 31, 2015

	Note	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000
Balance as at September 1, 2014		<b>522,809</b>	<b>(3,046)</b>	<b>(10,675)</b>
Total comprehensive income for the year		–	–	<b>190</b>
<b>Transactions with owners, recognised directly in equity</b>				
<u>Contributions by and distributions to owners</u>				
Share-based compensation	5(b)	–	–	–
Treasury shares re-issued	4 and 5(b)	–	<b>7,617</b>	–
Share buy-back – held as treasury shares	4	–	<b>(17,979)</b>	–
Lapse of share options	5(b)	–	–	–
Dividends	28	–	–	–
Fair value gain on interest-free loans		–	–	–
<u>Changes in ownership interests in subsidiaries without a change in control</u>				
Acquisition of additional interests in subsidiaries		–	–	–
Dilution of interests in subsidiaries		–	–	<b>27</b>
<u>Changes in ownership interests in subsidiaries</u>				
Acquisition of subsidiaries with non-controlling interests		–	–	<b>(1,072)</b>
<b>Balance as at August 31, 2015</b>		<b>522,809</b>	<b>(13,408)</b>	<b>(11,530)</b>
Balance as at September 1, 2013		522,114	(6,269)	(13,858)
Total comprehensive income for the year		–	–	–
<b>Transactions with owners, recognised directly in equity</b>				
<u>Contributions by and distributions to owners</u>				
Share-based compensation	5(b)	–	–	–
Issue of shares	4 and 5(b)	695	–	–
Reversal of listing expenses of a subsidiary	5(a)	–	–	3,183
Treasury shares re-issued	4 and 5(b)	–	7,225	–
Share buy-back – held as treasury shares	4	–	(4,002)	–
Lapse of share options	5(b)	–	–	–
Dividends	28	–	–	–
<u>Changes in ownership interests in subsidiaries without a change in control</u>				
Acquisition of additional interests in subsidiaries		–	–	–
Dilution of interests in a subsidiary		–	–	–
<b>Balance as at August 31, 2014</b>		<b>522,809</b>	<b>(3,046)</b>	<b>(10,675)</b>

The accompanying notes form an integral part of these financial statements.

Attributable to Shareholders of the Company								
Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Currency Translation Reserve S\$'000	Retained Profits S\$'000	Total S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000	
19,144	(6,386)	525,824	(1,498)	2,640,923	3,687,095	709,088	4,396,183	
–	9,798	(47,935)	295	321,701	284,049	52,402	336,451	
5,967	–	–	–	–	5,967	–	5,967	
(5,786)	–	–	–	(1,543)	288	–	288	
–	–	–	–	–	(17,979)	–	(17,979)	
(5,201)	–	–	–	5,201	–	–	–	
–	–	–	–	(339,348)	(339,348)	(41,277)	(380,625)	
–	–	–	–	–	–	882	882	
–	–	–	–	(509)	(509)	509	–	
–	12	–	–	283	322	3,690	4,012	
–	–	–	–	–	(1,072)	2,543	1,471	
<b>14,124</b>	<b>3,424</b>	<b>477,889</b>	<b>(1,203)</b>	<b>2,626,708</b>	<b>3,618,813</b>	<b>727,837</b>	<b>4,346,650</b>	
21,544	(1,289)	421,966	343	2,591,929	3,536,480	679,226	4,215,706	
–	(5,097)	103,858	(1,841)	404,286	501,206	63,845	565,051	
5,011	–	–	–	–	5,011	–	5,011	
(85)	–	–	–	–	610	–	610	
–	–	–	–	–	3,183	589	3,772	
(6,548)	–	–	–	(420)	257	–	257	
–	–	–	–	–	(4,002)	–	(4,002)	
(778)	–	–	–	778	–	–	–	
–	–	–	–	(355,444)	(355,444)	(34,528)	(389,972)	
–	–	–	–	67	67	(317)	(250)	
–	–	–	–	(273)	(273)	273	–	
19,144	(6,386)	525,824	(1,498)	2,640,923	3,687,095	709,088	4,396,183	

# Consolidated Statement of Cash Flows

for the financial year ended August 31, 2015

	Note	2015 S\$'000	Group 2014 S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		<b>430,245</b>	528,391
Adjustments for:			
Depreciation		<b>49,582</b>	54,332
Impairment of property, plant and equipment		–	9,798
Net loss on disposal of property, plant and equipment		<b>150</b>	618
Fair value change on investment properties		<b>(36,258)</b>	(109,076)
Share of results of associates and joint ventures		<b>11,220</b>	30,726
Gain on disposal of associates		<b>(100)</b>	(7)
Gain on dilution of interest in an associate		<b>(1,943)</b>	–
Gain on partial divestment of a joint venture		–	(52,863)
Loss on disposal of a joint venture		<b>459</b>	–
Write-back of impairment of loan to an associate		–	(388)
Net income from investments		<b>(51,707)</b>	(48,215)
Amortisation of intangible assets		<b>11,042</b>	9,614
Impairment of goodwill		<b>8,768</b>	–
Impairment of intangible assets		<b>301</b>	–
Finance costs		<b>33,620</b>	35,066
Share-based compensation expense		<b>5,940</b>	4,976
Other non-cash items		<b>2,106</b>	3,079
Operating cash flow before working capital changes		<b>463,425</b>	466,051
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:			
Inventories		<b>11,470</b>	(57)
Trade and other receivables, current		<b>5,078</b>	2,777
Trade and other payables, current		<b>(13,574)</b>	1,391
Trade and other receivables, non-current		<b>(770)</b>	(685)
Trade and other payables, non-current		<b>13,324</b>	849
Currency translation difference		<b>(143)</b>	(498)
		<b>478,810</b>	469,828
Income tax paid		<b>(58,332)</b>	(65,925)
Dividends paid		<b>(339,348)</b>	(355,444)
Dividends paid (net) by subsidiaries to non-controlling interests		<b>(41,277)</b>	(34,528)
<b>Net cash from operating activities</b>		<b>39,853</b>	13,931

The accompanying notes form an integral part of these financial statements.



# Consolidated Statement of Cash Flows

for the financial year ended August 31, 2015

	Note	Group	
		2015 S\$'000	2014 S\$'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(13,552)	(18,924)
Purchase of intangible assets		(155)	–
Proceeds from disposal of property, plant and equipment		95	228
Additions to investment properties		(46,763)	(66,247)
Acquisition of subsidiaries (net of cash acquired)	20(b)	(29,561)	–
Acquisition of additional interest in a subsidiary		–	(200)
Acquisition of businesses by subsidiaries	20(c)	–	(10,531)
Acquisition of interests in associates		–	(21,275)
Acquisition of interests in joint ventures		(14,327)	–
Additional consideration paid on interest in an associate		(271)	–
Additional consideration paid on interest in a joint venture		(10,512)	–
Proceeds from partial divestment of interest in a subsidiary		4,012	–
Dividends received from associates		6,951	2,873
Proceeds from capital distribution of an associate		–	92
Proceeds from disposal of associates		–	31,903
Proceeds from partial divestment of interest in a joint venture		–	16,856
Decrease in amounts owing by associates/joint ventures		168	1,063
(Decrease)/Increase in amounts owing to joint ventures		(7,738)	21,000
Purchase of long-term investments		(83,127)	(48,583)
Purchase of short-term investments		(137,230)	(772,333)
Proceeds from capital distribution/disposal of long-term investments		4,111	13,605
Proceeds from redemption/disposal of short-term investments		702,015	751,991
Dividends received		30,413	33,284
Interest received		6,338	8,169
Other investment income		(19,688)	643
<b>Net cash from/(used in) investing activities</b>		<b>391,179</b>	<b>(56,386)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from bank loans (net of transaction costs)		500,900	62,427
Repayment of bank loans		(441,252)	(800)
Repayment of loans from non-controlling interests		(225)	(351)
Interest paid		(39,967)	(37,890)
Proceeds from issuance of shares by the Company		–	610
Repayment of fixed rate notes		(600,000)	–
Share buy-back		(17,979)	(4,002)
Loan from a non-controlling interest		16,800	–
<b>Net cash (used in)/from financing activities</b>		<b>(581,723)</b>	<b>19,994</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(150,691)</b>	<b>(22,461)</b>
Cash and cash equivalents at beginning of financial year		442,937	465,398
<b>Cash and cash equivalents at end of financial year</b>	20(a)	<b>292,246</b>	<b>442,937</b>

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

August 31, 2015

These notes form an integral part of and should be read in conjunction with the financial statements.

## 1. GENERAL INFORMATION

The Company is incorporated and domiciled in Singapore. The address of its registered office is 1000 Toa Payoh North, News Centre, Singapore 318994.

The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the Group consist of:

- (a) publishing, printing and distributing newspapers,
- (b) publishing and distributing magazines,
- (c) providing multimedia content and services,
- (d) holding investments,
- (e) holding, managing and developing properties,
- (f) providing outdoor advertising services,
- (g) providing radio broadcasting services,
- (h) providing online classifieds services,
- (i) organising events, exhibitions, conventions and conferences,
- (j) publishing and distributing books,
- (k) providing online investor relations services, and
- (l) developing applications and operating a financial portal.

The principal activities of the Company consist of:

- (a) publishing, printing and distributing newspapers,
- (b) distributing magazines and books,
- (c) providing multimedia content and services,
- (d) holding shares in subsidiaries,
- (e) holding investments, and
- (f) providing management services to subsidiaries.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The Group has adopted the new or revised FRS and Interpretations to FRS (“INT FRS”) that became effective in the current financial year.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (a) Basis of preparation (cont'd)

The key changes to FRS adopted by the Group are as follows:

#### **FRS 110 Consolidated Financial Statements**

As a result of FRS 110, the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. FRS 110 introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns.

In accordance with the transitional provisions of FRS 110, the Group assessed the control conclusion for its investees at September 1, 2014. The change in accounting policy as a result of FRS 110 has no impact on the recognised assets, liabilities and total comprehensive income of the Group.

#### **FRS 111 Joint Arrangements**

FRS 111 establishes the principles for classification and accounting for joint arrangements. Under this standard, interests in joint ventures will be accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations.

The Group has re-evaluated its involvement in its joint arrangements and classified its investments from jointly-controlled entities to joint ventures. Notwithstanding the reclassification, the investments continue to be recognised by applying the equity method and there has been no impact on the recognised assets, liabilities and total comprehensive income of the Group.

#### **FRS 112 Disclosure of interests in other entities**

From September 1, 2014, as a result of FRS 112, the Group has expanded its disclosures about its interests in subsidiaries, associates and joint ventures.

#### **Amendments to FRS 36 Impairment of Assets – Recoverable Amounts Disclosures for Non-Financial Assets**

From September 1, 2014, as a result of the amendments to FRS 36, the Group has expanded its disclosures of recoverable amounts when they are based on fair values less costs of disposals and an impairment is recognised.

#### **Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities**

Under the amendments to FRS 32, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

There is no significant financial impact to the Group's balance sheet arising from the adoption of the amendments to FRS 32.

The adoption of other new or revised FRS and INT FRS has not resulted in any substantial changes to the Group's accounting policies nor has any significant impact on these financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (b) Group accounting

#### (i) Subsidiaries

##### Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the financial year.

Subsidiaries are entities controlled by the Group, generally accompanied by a shareholding of more than one half of the voting rights. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of net results of operations and of net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the Company. They are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in total equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

##### Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Please refer to Note 2(l)(i) for the accounting policy on goodwill arising from business combination.

##### Disposals

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any amounts previously recognised in other comprehensive income in respect of that entity are transferred to the income statement or transferred directly to retained earnings if required by a specific standard.

Any retained interest in the entity is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (b) Group accounting (cont'd)

#### (i) Subsidiaries (cont'd)

##### Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with shareholders of the company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in retained profits within equity attributable to the shareholders of the company.

#### (ii) Associates/Joint ventures

Associates are entities over which the Group has significant influence, but not control, and generally accompanied by a shareholding giving rise to between and including 20% and 50% of voting rights. Where the voting rights are less than 20%, the presumption that the entity is not an associate is overcome if the Group has significant influence including representation on the board of directors or participation in policy-making process of the investee.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group's investments in associates/joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses. Investments in associates/joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of the post-acquisition results of associates/joint ventures is included in its consolidated income statement. The Group's share of the post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associates/joint ventures are adjusted against the carrying amount of the investments in the consolidated balance sheet. When the Group's share of losses in an associate/joint venture equals or exceeds its interest in the associate/joint venture, including any unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associate/joint venture.

Adjustments are made to the financial statements of associates/joint ventures, where necessary, to ensure consistency of accounting policies with those of the Group.

Unrealised gains on transactions between the Group and its associates/joint ventures are eliminated to the extent of the Group's investments in the associates/joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The investment in the associate/joint venture is derecognised when the Group ceases to have significant influence or joint control respectively. Any amounts previously recognised in other comprehensive income in respect of that entity are transferred to the income statement. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value is recognised in the income statement.

If the ownership interest in an associate/joint venture is reduced but significant influence or joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are transferred to income statement where appropriate. Gains or losses arising from such transactions are recognised in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (c) Currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("presentation currency"), which is also the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

#### (ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are taken to the income statement.

Currency translation differences on non-monetary items which are equity investments held at fair value through profit or loss are reported as part of the fair value gain or loss in the income statement. Currency translation differences on non-monetary items which are equity investments classified as available-for-sale financial assets are included in other comprehensive income.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

#### (iii) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing exchange rates at the date of the balance sheet;
- Income and expenses are translated at average exchange rates; and
- All resulting exchange differences are taken to other comprehensive income and transferred to the income statement upon the disposal of the foreign operation as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after September 1, 2005 are treated as assets and liabilities of the foreign entity and translated at the closing rates at the date of balance sheet. For acquisitions prior to September 1, 2005, the exchange rates at the dates of acquisition are used.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (d) Impairment of non-financial assets

#### (i) Goodwill

Goodwill recognised separately as an intangible asset is tested annually for impairment, as well as when there is any indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in an associate/joint venture is tested for impairment as part of the investment, rather than separately, where there is objective evidence that the investment may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of the CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised in the income statement and is not reversed in a subsequent period.

#### (ii) Other intangible assets

##### Property, plant and equipment

##### Investments in subsidiaries, associates and joint ventures

Other intangible assets, property, plant and equipment and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (e) Property, plant and equipment

#### (i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### (ii) Depreciation

Depreciation is calculated using the straight-line method to allocate the depreciable amounts over the expected useful lives of the assets. The estimated useful lives for this purpose are:

Leasehold land and buildings	30-50 years
Plant and equipment	1-20 years
Furniture and fittings	1-10 years
Motor vehicles	3-10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the income statement when the changes arise.

No depreciation is charged on capital work-in-progress.

#### (iii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the income statement when incurred.

#### (iv) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

### (f) Investment properties

Investment properties comprise retail, office and residential buildings that are held for long-term rental yields.

Investment properties are initially recognised at cost and subsequently measured at fair value. Any gains or losses arising from the changes in their fair values are taken to the income statement.

The cost of an investment property includes capitalisation of borrowing costs [Note 2(g)] for the purchase, renovation and extension of the investment property while these activities are in progress. For this purpose, the interest rates applied to funds provided for the development are based on the actual interest rates payable on the borrowings for such development.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are written-off to the income statement. The cost of maintenance, repairs and minor improvements is charged to the income statement when incurred.



# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (f) Investment properties (cont'd)

Properties that are being constructed or developed for future use as investment properties are classified as investment properties.

Where the fair value of the investment property under construction or development cannot be reliably measured, the property is measured at cost until the earlier of the date the construction is completed or the date at which fair value becomes reliably measurable.

On disposal of an investment property, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

### (g) Borrowing costs

Borrowing costs are recognised in the income statement using the effective interest method except for those costs that are directly attributable to borrowings acquired specifically for the construction or development of properties. This includes those costs on borrowings acquired specially for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development [Note 2(f)].

### (h) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are included in the Company's balance sheet at cost less accumulated impairment losses. On disposal of these investments, the difference between disposal proceeds and the carrying amounts of the investments is recognised in the income statement.

### (i) Financial assets

#### (i) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets on initial recognition.

- Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date. Financial assets designated at fair value through profit or loss comprise securities that otherwise would have been classified as available-for-sale.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (i) Financial assets (cont'd)

#### (i) Classification (cont'd)

- Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables comprise bank balances and fixed deposits and trade and other receivables.

- Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities for which the Group has the positive intention and ability to hold to maturity. The Group has no held-to-maturity financial assets at balance sheet date.

- Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date. Available-for-sale financial assets comprise debt and equity securities.

#### (ii) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in the income statement. Any amount in the fair value reserve relating to that asset is also transferred to the income statement.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### (iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (i) Financial assets (cont'd)

#### (iv) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method less accumulated impairment losses.

Gains and losses arising from changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividends, are recognised in the income statement in the period in which they arise. Changes in the fair value of monetary assets denominated in foreign currencies and classified as available-for-sale are analysed into currency translation differences resulting from changes in the amortised cost of the asset and other changes. The currency translation differences are recognised in the income statement and other changes are recognised in other comprehensive income. Changes in fair values of non-monetary assets that are classified as available-for-sale are recognised in other comprehensive income, together with the related currency translation differences.

Interest income on available-for-sale financial assets, calculated using the effective interest method, is recognised in the income statement. Dividends on available-for-sale equity securities are recognised in the income statement when the Group's right to receive payment is established. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in the fair value reserve within equity are included in the income statement.

#### (v) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

- Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are objective evidence that these financial assets are impaired. The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the income statement. When the asset becomes uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are recognised in the income statement.

The allowance for impairment loss account is reduced through the income statement in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost, had no impairment been recognised in prior periods.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (i) Financial assets (cont'd)

#### (v) Impairment (cont'd)

- Available-for-sale financial assets

In the case of an equity security classified as available-for-sale, in addition to the objective evidence of impairment described in loans and receivables, a significant or prolonged decline in the fair value of the security below its cost is objective evidence that the security is impaired.

When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that has been recognised directly in the fair value reserve is transferred from the fair value reserve within equity and recognised in the income statement. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss on that financial asset previously recognised in income statement.

Impairment loss on debt instruments classified as available-for-sale financial assets is reversed through the income statement. However, impairment losses with respect to equity instruments classified as available-for-sale financial assets are not reversed through the income statement.

### (j) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Methods such as estimating with reference to recent arm's length transactions, discounted cash flow projections and the underlying net asset value of the investee companies are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates. The fair values of cross currency swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest and forward exchange rates.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (k) Derivative financial instruments and hedging activities

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from operating, financing and investing activities. Derivative financial instruments taken up directly by the Group are not used for trading purposes.

A derivative financial instrument is initially recognised at its fair value on the date the derivative contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates its derivatives for hedging purposes as either hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge), or hedges of highly probable forecast transactions (cash flow hedge). The Group has no fair value hedge at balance sheet date.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

#### (i) Cash flow hedge

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of these interest rate swaps are recognised in other comprehensive income and transferred to the income statement in the periods when the interest expense on the borrowings is recognised in the income statement. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

#### (ii) Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (I) Intangible assets

#### (i) Goodwill arising from business combination

Goodwill arising from business combination is the excess of the fair value of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets and contingent liabilities acquired. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in income statement.

Goodwill arising from business combination is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisition of associates and joint ventures is recorded as part of the carrying value of the investments in the consolidated balance sheet.

The gains and losses on the disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

#### (ii) Technology, trademarks, licences, mastheads and others

Technology, trademarks, licences, mastheads and other intangible assets acquired as part of business combinations are initially recognised at their fair values at the acquisition date and are subsequently carried at cost (i.e. the fair values on initial recognition) less accumulated amortisation and accumulated impairment losses. The fair value of patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that are expected to be avoided as a result of the patent and trademark being owned, or the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method.

Technology and licenses acquired separately are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over 2 to 20 years, which is the shorter of their estimated useful lives and periods of contractual rights.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in the income statement when the changes arise.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (m) Inventories

Inventories comprise raw materials and consumable stores, and are stated at the lower of cost and net realisable value.

The cost of raw materials and consumable stores includes transport and handling costs, and any other directly attributable costs, and is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated variable selling expenses.

### (n) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs incurred) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the income statement over the period of the borrowings using the effective interest method.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

### (o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially carried at fair value, and subsequently carried at amortised cost using the effective interest method.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

### (p) Dividends payable

Interim dividends are recorded during the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholders.

### (q) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

#### (i) Short-term employee benefits

All short-term employee benefits, including accumulated compensated absences, are recognised in the income statement in the period in which the employees rendered their services to the Group.

#### (ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as Singapore's Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions to defined contribution plans are recognised in the financial year when they are due.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (q) Employee benefits (cont'd)

#### (iii) Share-based compensation

- Share options

The share option scheme allows selected employees of the Company and/or its subsidiaries, including the Executive Director of the Company, and other selected participants, to subscribe for ordinary shares in the Company at an agreed exercise price.

The fair value of the options granted is recognised as a share-based compensation expense in the income statement with a corresponding increase in the share-based compensation reserve over the vesting period. The fair value is measured at grant date and recognised over the vesting period during which the employees become unconditionally entitled to the options.

When the options are exercised, the proceeds received (net of any directly attributable transaction costs) and the balance previously recognised in the share-based compensation reserve are credited to share capital when new ordinary shares are issued, or to the treasury share account within equity when treasury shares purchased are re-issued to the employees.

- Performance shares

Persons eligible to participate in the SPH Performance Share Plan ("the Share Plan") are selected Group Employees of such rank and service period as the Remuneration Committee ("the Committee") may determine, and other participants selected by the Committee.

The Share Plan contemplates the award of fully-paid ordinary shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met and upon expiry of the prescribed vesting periods.

The fair value of the performance shares granted is recognised as a share-based compensation expense in the income statement with a corresponding increase in the share-based compensation reserve over the vesting period.

The amount is determined by reference to the fair value of the performance shares on grant date.

If the performance condition is a market condition, the probability of the performance condition being met is taken into account in estimating the fair value of the ordinary shares granted at the grant date. The compensation cost shall be charged to the income statement on a basis that fairly reflects the manner in which the benefits will accrue to the employee under the Share Plan over the prescribed vesting periods from date of grant. No adjustments to the amounts charged to the income statement are made whether or not the market condition is met.

For performance share grants with non-market conditions, the Company revises its estimates of the number of share grants expected to vest and corresponding adjustments are made to the income statement and share-based compensation reserve. The Company assesses this change at the end of each financial reporting period.

### (r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.



# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (s) Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to (or recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred income tax liabilities are recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Current and deferred taxes are recognised as income or expense in the income statement, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against the related goodwill.

### (t) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and services tax, rebates, discounts and returns, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

- (i) Revenue from the sale of the Group's products is recognised on completion of delivery;
- (ii) Revenue from advertisements is recognised in the period in which the advertisement is published or broadcasted;
- (iii) Revenue from rental and rental-related services is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as an integral part of the total rental income;
- (iv) Revenue from the provision of other services is recognised in the period in which the services are rendered;
- (v) Dividend income is recognised when the right to receive payment is established; and
- (vi) Interest income is recognised using the effective interest method.

# Notes to the Financial Statements

August 31, 2015

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (u) Operating leases

When a group company is the lessee:

Leases where substantially all of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases are recognised as expenses in the income statement on a straight-line basis over the period of the lease. Contingent rents are recognised as an expense in the income statement when incurred.

When a group company is the lessor:

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Assets leased out under operating leases are included in investment properties. Rental income from operating leases is recognised in the income statement on a straight-line basis over the lease term. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rents are recognised as income in the income statement when earned.

### (v) Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

The consideration paid for treasury shares, including any directly attributable incremental costs, is presented as a component within shareholders' equity until the shares are cancelled, re-issued or disposed of. Where such shares are subsequently re-issued or disposed of, any consideration received, net of any directly attributable incremental transaction costs, is included in shareholders' equity. Realised gain or loss on disposal or re-issue of treasury shares is included in retained profits of the Company.

When treasury shares are subsequently cancelled, the cost of the treasury shares is deducted against the share capital account, if the shares are purchased out of capital of the Company, or against the retained profits of the Company, if the shares are purchased out of profits of the Company.

### (w) Segment reporting

Segmental information are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer of the Company who conducts a regular review for allocation of resources and assessment of performance of the operating segments.

### (x) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

# Notes to the Financial Statements

August 31, 2015

### 3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements in conformity with FRS requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have significant effect on the amounts recognised are as follows:

- **Fair value estimation**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Methods used include estimating with reference to recent arm's length transactions, discounted cash flow projections and the underlying net asset value of the investee companies.

The fair value of investment properties is based on independent professional valuations using valuation techniques and assumptions.

- **Recoverable value of goodwill**

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose an appropriate discount rate in order to calculate the present value of those cash flows. Forecasts of future cash flows are based on the Group's estimates using sector and industry trends, general market and economic conditions, changes in technology and other available information. Information about the assumptions and their risk factors relating to goodwill impairment are discussed in Note 15(a).

Information about critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements is as follows:

- **Impairment of available-for-sale financial assets**

The Group follows the guidance of FRS 39 in determining when an investment is considered impaired. The Group evaluates the duration and extent to which the fair value of an investment is less than its cost in its assessment of impairment allowances. Under exceptional circumstances, the Group may apply judgement based on qualitative facts such as the financial health of and near-term business outlook of the issuer of the instrument, changes in technology and operational and financing cash flow.

# Notes to the Financial Statements

August 31, 2015

## 4. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	2015		2014	
	Number of Shares '000	Amount S\$'000	Number of Shares '000	Amount S\$'000
<b>Issued and fully paid, with no par value</b>				
Management shares	16,362	7,109	16,362	7,109
Ordinary shares	1,600,649	515,700	1,600,649	515,700
	<b>1,617,011</b>	<b>522,809</b>	1,617,011	522,809
Treasury shares	(3,306)	(13,408)	(765)	(3,046)
	<b>1,613,705</b>	<b>509,401</b>	1,616,246	519,763
Movements during the financial year:				
Beginning of financial year	1,616,246	519,763	1,615,261	515,845
Issue of ordinary shares fully paid under the Singapore Press Holdings Group (1999) Share Option Scheme	–	–	163	688
Issue of management shares fully paid in accordance with the Newspaper and Printing Presses Act	–	–	2	7
	<b>1,616,246</b>	<b>519,763</b>	1,615,426	516,540
Purchase of treasury shares	(4,385)	(17,979)	(1,000)	(4,002)
Treasury shares re-issued for the fulfilment of share awards vested under SPH Performance Share Plan	1,844	7,617	1,820	7,225
End of financial year	<b>1,613,705</b>	<b>509,401</b>	1,616,246	519,763

The holders of both management and ordinary shares rank pari passu in respect of all dividends declared by the Company and in respect of all bonus and rights issues made by the Company, as well as in the right to return of capital and to participate in all surplus assets of the Company in liquidation.

In terms of voting rights, both classes of shareholders are entitled either on a poll or by a show of hands to one vote for each share, except that on any resolution relating to the appointment or dismissal of a director or any member of the staff of the Company, the holders of management shares are entitled either on a poll or by a show of hands to two hundred votes for each management share held.

### (a) Treasury shares

The Company acquired 4,385,600 (2014: 1,000,000) of its own shares through purchases on the Singapore Exchange during the current financial year. The total amount paid to acquire the shares was S\$18 million (2014: S\$4 million). The shares, held as treasury shares, were included as deduction against shareholders' equity.

The Company re-issued 1,844,252 (2014: 1,819,918) treasury shares during the financial year for the fulfilment of share awards vested under the SPH Performance Share Plan at a total value of S\$7.6 million (2014: S\$7.2 million).

# Notes to the Financial Statements

August 31, 2015

## 4. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

### (b) Share options

At the Extraordinary General Meeting held on December 5, 2006, the shareholders approved the adoption of the SPH Performance Share Plan ("the Share Plan") and the Singapore Press Holdings Group (1999) Share Option Scheme ("1999 Scheme") was terminated with regard to the grant of further options. Options granted and outstanding prior to such termination will continue to be valid and be subject to the terms and conditions of the 1999 Scheme.

Movements in the number of the unissued shares of the Company under option during the financial year and their exercise prices are as follows:

#### 2015

Grant Date	Expiry Date	Exercise Price (S\$)	Balance 01.09.14	Options Exercised	Options Lapsed	Balance 31.08.15
21.12.04	21.12.14	4.54	9,872,300	–	(9,872,300)	–
16.12.05	16.12.15	4.30	9,245,425	–	(671,075)	8,574,350
			19,117,725	–	(10,543,375)	8,574,350

#### 2014

Grant Date	Expiry Date	Exercise Price (S\$)	Balance 01.09.13	Options Exercised	Options Lapsed	Balance 31.08.14
16.12.03	16.12.13	3.69	767,175	(163,500)	(603,675)	–
21.12.04	21.12.14	4.54	10,410,775	–	(538,475)	9,872,300
16.12.05	16.12.15	4.30	9,722,700	–	(477,275)	9,245,425
			20,900,650	(163,500)	(1,619,425)	19,117,725

All the outstanding options as at the balance sheet date were exercisable. There were no options exercised in 2015. Options exercised in 2014 resulted in 163,500 shares being issued at an average price of S\$3.69 each.

# Notes to the Financial Statements

August 31, 2015

## 4. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

### (c) Performance shares

During the financial year, 1,824,955 (2014: 1,954,145) performance shares were granted subject to the terms and conditions of the Share Plan.

Movements in the number of performance shares outstanding during the financial year are summarised below:

#### 2015

Grant Date	Outstanding as at 01.09.14 '000	Adjusted* '000	Granted '000	Vested '000	Lapsed '000	Outstanding as at 31.08.15 '000
12.01.11	473	–	–	(458)	(15)	–
12.01.12	1,470	43	–	(1,155)	(32)	326
11.01.13	1,957	(426)	–	(231)	(47)	1,253
13.01.14	1,913	4	–	–	(47)	1,870
13.01.15	–	–	1,825	–	(11)	1,814

#### 2014

Grant Date	Outstanding as at 01.09.13 '000	Adjusted* '000	Granted '000	Vested '000	Lapsed '000	Outstanding as at 31.08.14 '000
12.01.10	541	–	–	(535)	(6)	–
12.01.11	1,699	(268)	–	(930)	(28)	473
12.01.12	1,997	(121)	–	(355)	(51)	1,470
11.01.13	2,047	–	–	–	(90)	1,957
13.01.14	–	–	1,954	–	(41)	1,913

\* Adjusted at end of the performance period based on the level of achievement of pre-set performance conditions.

The shares awarded at the vesting date could range from 0% to 150% of the grant, depending on the level of achievement against the pre-set performance conditions.

# Notes to the Financial Statements

August 31, 2015

## 4. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

### (c) Performance shares (cont'd)

The fair value of the performance shares is determined at grant date using the Monte Carlo simulation model. The number of performance shares granted during the financial year, their fair values and the input assumptions used are as follows:

#### 2015

Grant Date	Vesting Date	Number of Shares '000	Fair Value per Share S\$	Expected Volatility*		Expected Dividend Yield %	Risk-free Interest Rate %	Correlation between SPH Share Price and FTSE ST All Share Index <sup>^</sup>	Share Price at Grant Date S\$
				SPH %	FTSE ST All Share Index %				
13.01.15 <sup>(a)</sup>	13.01.17	364	3.66	12.36	N.A.	6.00	0.67	N.A.	4.11
13.01.15 <sup>(a)</sup>	13.01.18	364	3.45	12.36	N.A.	6.00	0.89	N.A.	4.11
13.01.15 <sup>(b)</sup>	13.01.18	734	3.43	12.36	9.98	6.00	0.89	0.62	4.11
13.01.15 <sup>(a)</sup>	13.01.19	363	3.25	12.36	N.A.	6.00	1.21	N.A.	4.11

#### 2014

Grant Date	Vesting Date	Number of Shares '000	Fair Value per Share S\$	Expected Volatility*		Expected Dividend Yield %	Risk-free Interest Rate %	Correlation between SPH Share Price and FTSE ST All Share Index <sup>^</sup>	Share Price at Grant Date S\$
				SPH %	FTSE ST All Share Index %				
13.01.14 <sup>(a)</sup>	13.01.16	387	3.58	12.94	N.A.	6.00	0.33	N.A.	4.03
13.01.14 <sup>(a)</sup>	13.01.17	387	3.38	12.94	N.A.	6.00	0.44	N.A.	4.03
13.01.14 <sup>(b)</sup>	13.01.17	793	3.49	12.94	14.89	6.00	0.44	0.58	4.03
13.01.14 <sup>(a)</sup>	13.01.18	387	3.18	12.94	N.A.	6.00	0.87	N.A.	4.03

\* Derived based on 36 months of historical volatility prior to grant date.

<sup>^</sup> Derived based on 36 months of historical correlation of returns prior to grant date.

(a) Granted with non-market conditions.

(b) Granted with both market and non-market conditions.

N.A. Not applicable

For non-market conditions, achievement factors have been estimated based on management inputs for the purpose of accrual for the performance shares until the achievement of the performance conditions can be accurately ascertained.

During the current financial year, the Group recognised S\$5.9 million (2014: S\$5 million) of share-based compensation expense in respect of performance shares based on the fair values determined on grant date and estimation of the share grants that will ultimately vest.

# Notes to the Financial Statements

August 31, 2015

## 5. RESERVES

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Non-distributable</b>				
Capital reserve [Note 5(a)]	<b>(11,530)</b>	(10,675)	–	–
Share-based compensation reserve [Note 5(b)]	<b>14,124</b>	19,144	<b>14,124</b>	19,098
Hedging reserve [Note 5(c)]	<b>3,424</b>	(6,386)	–	(251)
Fair value reserve [Note 5(d)]	<b>477,889</b>	525,824	<b>36,043</b>	41,037
Currency translation reserve	<b>(1,203)</b>	(1,498)	–	–
	<b>482,704</b>	526,409	<b>50,167</b>	59,884

### (a) Capital reserve

Capital reserve relates mainly to capitalised listing expenses incurred in relation to the listing of a subsidiary on the Main Board of Singapore Exchange Securities Trading Limited.

### (b) Share-based compensation reserve

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Beginning of financial year	<b>19,144</b>	21,544	<b>19,098</b>	21,544
Share-based compensation expense [Note 24]	<b>5,940</b>	4,976	<b>5,986</b>	4,930
Share-based compensation expense charged to a joint venture	<b>27</b>	35	<b>27</b>	35
Exercise of share options	–	(85)	–	(85)
Lapse of share options	<b>(5,201)</b>	(778)	<b>(5,201)</b>	(778)
Award of performance shares	<b>(5,786)</b>	(6,548)	<b>(5,786)</b>	(6,548)
End of financial year	<b>14,124</b>	19,144	<b>14,124</b>	19,098



# Notes to the Financial Statements

August 31, 2015

## 5. RESERVES (CONT'D)

### (c) Hedging reserve

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Beginning of financial year	<b>(6,386)</b>	(1,289)	<b>(251)</b>	(309)
Fair value changes	<b>5,694</b>	(9,937)	<b>119</b>	(470)
Deferred tax on fair value changes	<b>(96)</b>	80	<b>(20)</b>	80
	<b>5,598</b>	(9,857)	<b>99</b>	(390)
Transferred to finance costs	<b>4,237</b>	4,852	<b>183</b>	540
Deferred tax on transfer	<b>(37)</b>	(92)	<b>(31)</b>	(92)
	<b>4,200</b>	4,760	<b>152</b>	448
Dilution of interest in a subsidiary	<b>12</b>	–	–	–
End of financial year	<b>3,424</b>	(6,386)	–	(251)

### (d) Fair value reserve

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Beginning of financial year	<b>525,824</b>	421,966	<b>41,037</b>	51,718
Financial assets, available-for-sale				
- Fair value changes	<b>(1,858)</b>	113,817	<b>(4,994)</b>	(855)
- Deferred tax on fair value changes	<b>(10,747)</b>	(4,606)	–	–
	<b>(12,605)</b>	109,211	<b>(4,994)</b>	(855)
Transferred to income statement [Note 27]	<b>(42,572)</b>	(4,583)	–	(9,826)
Deferred tax on transfer	<b>7,242</b>	(770)	–	–
	<b>(35,330)</b>	(5,353)	–	(9,826)
End of financial year	<b>477,889</b>	525,824	<b>36,043</b>	41,037

# Notes to the Financial Statements

August 31, 2015

## 6. NON-CONTROLLING INTERESTS

The following summarises the financial information of the Group's subsidiaries with non-controlling interests, based on their respective (consolidated) financial statements prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences with the Group's accounting policies. The information is before inter-company eliminations with other companies in the Group.

### 2015

	SPH REIT S\$'000	Other subsidiaries S\$'000	Total S\$'000
Revenue	<b>205,113</b>		
Profit	<b>153,531</b>		
Other comprehensive income	<b>13,072</b>		
<b>Total comprehensive income</b>	<b>166,603</b>		
Attributable to non-controlling interests:			
Profit	<b>45,832</b>	<b>2,889</b>	<b>48,721</b>
Other comprehensive income	<b>3,921</b>	<b>(240)</b>	<b>3,681</b>
<b>Total comprehensive income</b>	<b>49,753</b>	<b>2,649</b>	<b>52,402</b>
Non-current assets	<b>3,226,893</b>		
Current assets	<b>82,728</b>		
Non-current liabilities	<b>(632,250)</b>		
Current liabilities	<b>(279,561)</b>		
<b>Net assets</b>	<b>2,397,810</b>		
<b>Net assets attributable to non-controlling interests</b>	<b>713,616</b>	<b>14,221</b>	<b>727,837</b>
Cash flows from operating activities	<b>158,375</b>		
Cash flows used in investing activities	<b>(14,837)</b>		
Cash flows used in financing activities	<b>(156,841)</b>		
<b>Net decrease in cash and cash equivalents</b>	<b>(13,303)</b>		

# Notes to the Financial Statements

August 31, 2015

## 6. NON-CONTROLLING INTERESTS (CONT'D)

2014

	SPH REIT S\$'000	Other subsidiaries S\$'000	Total S\$'000
Revenue	202,241		
Profit	216,514		
Other comprehensive income	(7,778)		
<b>Total comprehensive income</b>	<b>208,736</b>		
Attributable to non-controlling interests:			
Profit	64,721	1,729	66,450
Other comprehensive income	(2,329)	(276)	(2,605)
<b>Total comprehensive income</b>	<b>62,392</b>	<b>1,453</b>	<b>63,845</b>
Non-current assets	3,172,463		
Current assets	96,570		
Non-current liabilities	(880,836)		
Current liabilities	(35,131)		
<b>Net assets</b>	<b>2,353,066</b>		
<b>Net assets attributable to non-controlling interests</b>	<b>700,886</b>	<b>8,202</b>	<b>709,088</b>
Cash flows from operating activities	174,525		
Cash flows used in investing activities	(2,675)		
Cash flows used in financing activities	(142,064)		
<b>Net increase in cash and cash equivalents</b>	<b>29,786</b>		

# Notes to the Financial Statements

August 31, 2015

## 7. INCOME TAXES

### (a) Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown on the balance sheets:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Deferred income tax liabilities	<b>54,690</b>	52,401	<b>26,068</b>	29,397
Deferred income tax assets	<b>(4,032)</b>	(5,500)	<b>(2,860)</b>	(4,089)
	<b>50,658</b>	46,901	<b>23,208</b>	25,308

Deferred income tax taken to equity during the financial year is as follows:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Hedging reserve	<b>167</b>	12	<b>51</b>	12
Fair value reserve	<b>3,505</b>	5,376	–	–
	<b>3,672</b>	5,388	<b>51</b>	12

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses and capital allowances of S\$1.7 million (2014: S\$1.8 million) and S\$0.8 million (2014: S\$0.1 million) respectively at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting of certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses have no expiry dates.

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year are as follows:

### Group

#### 2015

### (i) Deferred income tax liabilities

	Accelerated Tax Depreciation S\$'000	Fair Value Changes S\$'000	Others S\$'000	Total S\$'000
Beginning of financial year	<b>39,945</b>	<b>5,616</b>	<b>6,840</b>	<b>52,401</b>
Recognised in income statement	<b>(2,426)</b>	–	<b>(77)</b>	<b>(2,503)</b>
Recognised in equity	–	<b>3,621</b>	–	<b>3,621</b>
Acquisition of a subsidiary [Note 20(b)]	–	–	<b>1,171</b>	<b>1,171</b>
End of financial year	<b>37,519</b>	<b>9,237</b>	<b>7,934</b>	<b>54,690</b>

# Notes to the Financial Statements

August 31, 2015

## 7. INCOME TAXES (CONT'D)

### (a) Deferred income taxes (cont'd)

#### Group

2015

#### (ii) Deferred income tax assets

	Provisions S\$'000	Fair Value Changes S\$'000	Total S\$'000
Beginning of financial year	(5,449)	(51)	(5,500)
Recognised in income statement	1,312	–	1,312
Recognised in equity	–	51	51
Currency translation differences	105	–	105
End of financial year	(4,032)	–	(4,032)

#### Group

2014

#### (i) Deferred income tax liabilities

	Accelerated Tax Depreciation S\$'000	Fair Value Changes S\$'000	Others S\$'000	Total S\$'000
Beginning of financial year	42,378	240	3,865	46,483
Recognised in income statement	(2,433)	–	3,261	828
Recognised in equity	–	5,376	–	5,376
Currency translation differences	–	–	(286)	(286)
End of financial year	39,945	5,616	6,840	52,401

#### (ii) Deferred income tax assets

	Provisions S\$'000	Fair Value Changes S\$'000	Total S\$'000
Beginning of financial year	(5,102)	(63)	(5,165)
Recognised in income statement	(334)	–	(334)
Recognised in equity	–	12	12
Currency translation differences	(13)	–	(13)
End of financial year	(5,449)	(51)	(5,500)

# Notes to the Financial Statements

August 31, 2015

## 7. INCOME TAXES (CONT'D)

### (a) Deferred income taxes (cont'd)

#### Company

2015

#### (i) Deferred income tax liabilities

	Accelerated Tax Depreciation S\$'000	Others S\$'000	Total S\$'000
Beginning of financial year	29,264	133	29,397
Recognised in income statement	(3,317)	(12)	(3,329)
End of financial year	25,947	121	26,068

#### (ii) Deferred income tax assets

	Provisions S\$'000	Fair Value Changes S\$'000	Total S\$'000
Beginning of financial year	(4,038)	(51)	(4,089)
Recognised in income statement	1,178	–	1,178
Recognised in equity	–	51	51
End of financial year	(2,860)	–	(2,860)

#### Company

2014

#### (i) Deferred income tax liabilities

	Accelerated Tax Depreciation S\$'000	Others S\$'000	Total S\$'000
Beginning of financial year	33,823	113	33,936
Recognised in income statement	(4,559)	20	(4,539)
End of financial year	29,264	133	29,397

#### (ii) Deferred income tax assets

	Provisions S\$'000	Fair Value Changes S\$'000	Total S\$'000
Beginning of financial year	(4,097)	(63)	(4,160)
Recognised in income statement	59	–	59
Recognised in equity	–	12	12
End of financial year	(4,038)	(51)	(4,089)

# Notes to the Financial Statements

August 31, 2015

## 7. INCOME TAXES (CONT'D)

### (b) Income tax expense

	Group	
	2015 S\$'000	2014 S\$'000
Tax expense attributable to profit is made up of:		
Current year		
- Current tax	<b>61,278</b>	58,766
- Deferred tax	<b>(1,136)</b>	510
	<b>60,142</b>	59,276
Prior years		
- Current tax	<b>(264)</b>	(1,605)
- Deferred tax	<b>(55)</b>	(16)
	<b>(319)</b>	(1,621)
	<b>59,823</b>	57,655

The income tax expense on profit for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before taxation due to the following factors:

	Group	
	2015 S\$'000	2014 S\$'000
Profit before taxation	<b>430,245</b>	528,391
Tax calculated at corporate tax rate of 17%	<b>73,142</b>	89,826
Income taxed at concessionary rate	<b>(222)</b>	(319)
Income not subject to tax	<b>(17,018)</b>	(35,714)
Expenses not deductible for tax purposes	<b>5,371</b>	8,156
Deferred tax benefits not recognised	<b>514</b>	165
Tax relief for contributions made to Institutes of Public Character	<b>(842)</b>	(1,194)
Effect of different tax rates in other countries	<b>1,162</b>	820
Tax rebates	<b>(420)</b>	(572)
Tax incentives	<b>(1,131)</b>	(1,540)
Others	<b>(414)</b>	(352)
Over-provision in prior years	<b>(319)</b>	(1,621)
Tax charge	<b>59,823</b>	57,655

# Notes to the Financial Statements

August 31, 2015

## 8. BORROWINGS

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Secured</b>				
Term loans [Note 8(a) and 8(b)]	<b>1,144,070</b>	937,007	–	–
<b>Unsecured</b>				
Fixed rate notes [Note 8(c)]	–	599,828	–	599,828
Term loan [Note 8(d)]	–	229,654	–	229,654
Loans from non-controlling interests [Note 8(e) and 8(f)]	<b>52,531</b>	36,216	–	–
Other banking facilities [Note 8(g)]	<b>87,351</b>	2,771	<b>85,000</b>	–
	<b>1,283,952</b>	1,805,476	<b>85,000</b>	829,482
Borrowings are repayable:				
Within 1 year	<b>336,681</b>	926,369	<b>85,000</b>	829,482
Between 1 - 5 years	<b>947,271</b>	581,759	–	–
After 5 years	–	297,348	–	–
	<b>947,271</b>	879,107	–	–
	<b>1,283,952</b>	1,805,476	<b>85,000</b>	829,482

- (a) On July 24, 2013, SPH REIT, a subsidiary of the Group, established a term loan facility available for drawdown up to the amount of S\$975 million (2014: S\$975 million). As at the balance sheet date, the amount drawn down was S\$850 million (2014: S\$850 million). The loan stated at amortised cost amounted to S\$844.9 million (2014: S\$843.1 million). The loan has repayment terms ranging from three to seven years, of which S\$250 million is repayable on July 25, 2016, S\$135 million on March 26, 2018, S\$185 million on July 24, 2018 and S\$280 million on July 24, 2020.

The term loan is secured by way of a first legal mortgage on SPH REIT's investment property – Paragon [Note 10], first legal charge over the tenancy account and sales proceeds account for Paragon, and an assignment of certain insurances taken in relation to Paragon.

After taking into account fixed interest rates and interest rate swap arrangements totalling S\$720 million (2014: S\$465 million), the effective interest rate as at the balance sheet date on the outstanding term loan of S\$850 million (2014: S\$850 million) was 2.55% (2014: 2.33%) per annum.

- (b) During the financial year, The Seletar Mall Pte Ltd ("TSMPL"), a subsidiary of the Group, established a term loan facility available for drawdown up to the amount of S\$300 million. As at the balance sheet date, the amount drawn down was S\$300 million. The loan has a repayment term of three years and is repayable on June 8, 2018. The loan stated at amortised cost amounted to S\$299.2 million.

The term loan taken up by TSMPL is secured by way of a first legal mortgage on TSMPL's investment property – The Seletar Mall [Note 10], first legal charge over the tenancy account and sales proceeds account for The Seletar Mall, and an assignment of certain insurances taken in relation to The Seletar Mall.

As at August 31, 2014, TSMPL had a term loan facility available for drawdown up to the amount of S\$138 million, of which S\$94.1 million had been drawn down. The loan was fully repaid during the financial year ended August 31, 2015.

After taking into account interest rate swap arrangements totalling S\$100 million (2014: nil), the effective interest rate as at the balance sheet date on the outstanding term loan was 1.80% (2014: 1.31%) per annum.



# Notes to the Financial Statements

August 31, 2015

## 8. BORROWINGS (CONT'D)

- (c) On February 22, 2010, the Company established a S\$1 billion Multicurrency Medium Term Note Programme. Notes outstanding as at August 31, 2014 comprised S\$600 million unsecured fixed rate notes which were fully repaid during the financial year ended August 31, 2015.
- (d) As at August 31, 2014, the Company had an unsecured term loan facility available for drawdown up to the amount of S\$230 million which was fully drawn down. The loan was fully repaid during the financial year ended August 31, 2015.
- (e) As at August 31, 2015, TSMPL had outstanding unsecured loans of S\$53.7 million (2014: S\$36.9 million) from its non-controlling interest, United Engineers Developments Pte Ltd. The loans are interest-free and repayment is subject to the subordination agreement under the S\$300 million term loan facility taken by TSMPL from a bank [Note 8(b)]. The loans stated at amortised cost amounted to S\$52.5 million (2014: S\$36 million).

On initial recognition, the loans were recognised at fair value, which was determined from the cash flow analyses, discounted at the market borrowing rates on the inception dates. The difference between the fair value and principal loan amounts was recognised in the income statement. The unamortised fair value gain as at the balance sheet date was S\$1.2 million (2014: S\$0.9 million).

- (f) As at August 31, 2014, Blu Inc (Holdings) Malaysia Sdn Bhd, a subsidiary of the Group, had an unsecured loan of S\$0.2 million from its non-controlling interests. The loan was fully repaid during the financial year ended August 31, 2015.
- (g) As at August 31, 2015, the other banking facilities included S\$85 million (2014: nil) of unsecured fixed advance facility drawn down by the Company. The amount is repayable on September 25, 2015.
- (h) In respect of bank borrowings, where appropriate, the Group's policy is to minimise its interest rate risk exposure by entering into interest rate swaps over the duration of its borrowings. Accordingly, TSMPL and SPH REIT (2014: the Company and SPH REIT) entered into interest rate swap contracts to swap floating rates for fixed interest rates as part of their interest rate risk management. Under the interest rate swaps, TSMPL and SPH REIT (2014: the Company and SPH REIT) agreed with other parties to exchange at specified intervals, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts. At August 31, 2015, the fixed interest rate was 1.82% per annum for TSMPL and 1.10% to 2.31% per annum for SPH REIT (2014: 0.66% per annum for the Company and 1.44% to 2.31% per annum for SPH REIT). The floating rates are referenced to Singapore dollar swap offer rate and repriced every three months.

The notional principal amounts of the outstanding interest rate swap contracts and their corresponding fair values as at August 31, 2015 are:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Notional due:				
Within 1 year	120,000	120,000	–	120,000
Between 1 - 5 years	550,000	35,000	–	–
After 5 years	–	280,000	–	–
Fair values* [Note 19]	4,997	(9,060)	–	(303)

\* The fair values of interest rate swap contracts had been calculated (using rates quoted by the Group's bankers) assuming the contracts are terminated at the balance sheet date. These interest rate swaps are contracted with counter-parties which are banks and financial institutions with acceptable credit ratings.

# Notes to the Financial Statements

August 31, 2015

## 8. BORROWINGS (CONT'D)

- (i) As at August 31, 2015, the fair value of the loans from non-controlling interest was S\$52.5 million (2014: S\$36 million), determined from the cash flow analysis, discounted at market borrowing rate of 1.81% (2014: 1.57%) per annum which management expected to be available to the Group. The fair value of the fixed rate notes as at August 31, 2014 was S\$605 million based on its quoted price.

## 9. PROPERTY, PLANT AND EQUIPMENT

### (a) Group

2015

	Leasehold Land and Buildings S\$'000	Plant and Equipment S\$'000	Furniture and Fittings S\$'000	Motor Vehicles S\$'000	Total S\$'000
<b>Cost</b>					
Beginning of financial year	236,832	740,018	21,039	2,092	999,981
Additions	118	3,079	517	–	3,714
Acquisition of subsidiaries [Note 20(b)]	–	82	85	–	167
Transfer in from capital work-in-progress	–	7,826	83	–	7,909
Disposals/Write-offs	–	(15,547)	(616)	(45)	(16,208)
Currency translation differences	627	(145)	(71)	(15)	396
End of financial year	237,577	735,313	21,037	2,032	995,959
<b>Accumulated depreciation and impairment losses</b>					
Beginning of financial year	132,530	566,781	16,995	1,526	717,832
Depreciation	6,923	40,882	1,409	368	49,582
Disposals/Write-offs	–	(15,320)	(598)	(45)	(15,963)
Currency translation differences	46	(103)	(60)	(9)	(126)
End of financial year	139,499	592,240	17,746	1,840	751,325
<b>Carrying amount</b>					
End of financial year	98,078	143,073	3,291	192	244,634
Capital work-in-progress	–	5,298	44	–	5,342
Total	98,078	148,371	3,335	192	249,976
<b>Capital work-in-progress</b>					
Beginning of financial year	–	3,377	36	–	3,413
Additions	–	9,747	91	–	9,838
Transfer out to property, plant and equipment	–	(7,826)	(83)	–	(7,909)
End of financial year	–	5,298	44	–	5,342

# Notes to the Financial Statements

August 31, 2015

## 9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Group

2014

	Leasehold Land and Buildings S\$'000	Plant and Equipment S\$'000	Furniture and Fittings S\$'000	Motor Vehicles S\$'000	Total S\$'000
<b>Cost</b>					
Beginning of financial year	236,994	731,368	20,562	2,151	991,075
Additions	30	2,420	1,123	–	3,573
Acquisition of businesses by subsidiaries [Note 20(c)]	–	21	–	–	21
Transfer in from capital work-in-progress	–	21,906	180	–	22,086
Disposals/Write-offs	–	(15,711)	(826)	(61)	(16,598)
Currency translation differences	(192)	14	–	2	(176)
End of financial year	236,832	740,018	21,039	2,092	999,981
<b>Accumulated depreciation and impairment losses</b>					
Beginning of financial year	125,684	526,599	16,080	1,082	669,445
Depreciation	6,957	45,450	1,421	504	54,332
Disposals/Write-offs	–	(15,179)	(512)	(61)	(15,752)
(Reversal of impairment)/ Impairment	(103)	9,901	–	–	9,798
Currency translation differences	(8)	10	6	1	9
End of financial year	132,530	566,781	16,995	1,526	717,832
<b>Carrying amount</b>					
End of financial year	104,302	173,237	4,044	566	282,149
Capital work-in-progress	–	3,377	36	–	3,413
Total	104,302	176,614	4,080	566	285,562
<b>Capital work-in-progress</b>					
Beginning of financial year	–	10,097	51	–	10,148
Additions	–	15,186	165	–	15,351
Transfer out to property, plant and equipment	–	(21,906)	(180)	–	(22,086)
End of financial year	–	3,377	36	–	3,413

In the previous financial year, the Group and the Company recognised an impairment charge of S\$9.9 million on a press line arising from the optimisation of printing capacity. This amount was included within "Other operating expenses" in the income statement.

# Notes to the Financial Statements

August 31, 2015

## 9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

### (c) Company

2015

	Plant and Equipment S\$'000	Furniture and Fittings S\$'000	Motor Vehicles S\$'000	Total S\$'000
<b>Cost</b>				
Beginning of financial year	636,603	13,446	1,621	651,670
Additions	558	48	–	606
Transfer in from capital work-in-progress	7,106	5	–	7,111
Disposals/Write-offs	(11,445)	(456)	(45)	(11,946)
End of financial year	632,822	13,043	1,576	647,441
<b>Accumulated depreciation and impairment losses</b>				
Beginning of financial year	474,859	11,896	1,249	488,004
Depreciation	35,870	286	227	36,383
Disposals/Write-offs	(11,281)	(451)	(45)	(11,777)
End of financial year	499,448	11,731	1,431	512,610
<b>Carrying amount</b>				
End of financial year	133,374	1,312	145	134,831
Capital work-in-progress	4,810	–	–	4,810
Total	138,184	1,312	145	139,641
<b>Capital work-in-progress</b>				
Beginning of financial year	2,652	–	–	2,652
Additions	9,264	5	–	9,269
Transfer out to property, plant and equipment	(7,106)	(5)	–	(7,111)
End of financial year	4,810	–	–	4,810

# Notes to the Financial Statements

August 31, 2015

## 9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(d) Company

2014

	Plant and Equipment S\$'000	Furniture and Fittings S\$'000	Motor Vehicles S\$'000	Total S\$'000
<b>Cost</b>				
Beginning of financial year	628,878	12,974	1,621	643,473
Additions	749	345	–	1,094
Transfer in from capital work-in-progress	21,466	165	–	21,631
Disposals/Write-offs	(14,490)	(38)	–	(14,528)
End of financial year	636,603	13,446	1,621	651,670
<b>Accumulated depreciation and impairment losses</b>				
Beginning of financial year	439,790	11,661	897	452,348
Depreciation	39,151	273	352	39,776
Disposals/Write-offs	(14,021)	(38)	–	(14,059)
Impairment	9,939	–	–	9,939
End of financial year	474,859	11,896	1,249	488,004
<b>Carrying amount</b>				
End of financial year	161,744	1,550	372	163,666
Capital work-in-progress	2,652	–	–	2,652
Total	164,396	1,550	372	166,318
<b>Capital work-in-progress</b>				
Beginning of financial year	9,619	–	–	9,619
Additions	14,499	165	–	14,664
Transfer out to property, plant and equipment	(21,466)	(165)	–	(21,631)
End of financial year	2,652	–	–	2,652

# Notes to the Financial Statements

August 31, 2015

## 10. INVESTMENT PROPERTIES

	Group	
	2015 S\$'000	2014 S\$'000
<b>Investment properties</b>		
Beginning of financial year	3,393,451	3,291,437
Additions	18,128	1,439
Transfer from investment property under development	493,114	–
Fair value change	36,258	100,575
End of financial year	3,940,951	3,393,451
<b>Investment property under development</b>		
Beginning of financial year	467,000	381,128
Additions	26,114	77,371
Fair value change	–	8,501
Transfer to investment properties	(493,114)	–
End of financial year	–	467,000
<b>Total carrying amount</b>	<b>3,940,951</b>	<b>3,860,451</b>
Carrying amount of		
- Freehold investment properties	2,845,151	2,792,151
- Leasehold investment properties	1,095,800	601,300
- Leasehold investment property under development	–	467,000
	<b>3,940,951</b>	<b>3,860,451</b>

The fair value of the investment properties as at the balance sheet date was stated based on independent professional valuations using valuation techniques and assumptions set out in Note 31(e).

The Paragon on Orchard Road, with a carrying value of S\$2,756 million (2014: S\$2,700 million), is mortgaged to banks as security for the loan facility of S\$975 million (2014: S\$975 million) granted to SPH REIT [Note 8(a)].

As at August 31, 2015, The Seletar Mall with a carrying amount of S\$495 million is mortgaged to a bank as security for the loan facility of S\$300 million granted to TSMPL [Note 8(b)].

As at August 31, 2014, The Seletar Mall with a carrying amount of S\$467 million was mortgaged as security for loan facilities granted to TSMPL respectively by a bank (S\$138 million) (first legal mortgage) [Note 8(b)] and the Company (S\$230 million) (second legal mortgage) [Note 17(a)(i)].

The following amounts are recognised in the income statement:

	Group	
	2015 S\$'000	2014 S\$'000
Rental income	229,620	202,896
Direct operating expenses arising from investment properties that generated rental income	(53,766)	(48,161)

# Notes to the Financial Statements

August 31, 2015

## 11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2015 S\$'000	2014 S\$'000
Equity investments at cost	<b>452,304</b>	412,305
Allowance for impairment	<b>(33,054)</b>	(500)
	<b>419,250</b>	411,805

During the current financial year, an allowance for impairment loss of S\$32.6 million (2014: nil) was recognised in respect of the Company's investment in a subsidiary following a review of the subsidiary's business. The recoverable amount was determined based on fair value less cost to sell. Fair value less cost to sell was represented by the net assets of the subsidiary as at the balance sheet date which approximates its fair value as it mainly comprises monetary assets and liabilities. This investment is classified as Level 3 within the fair value hierarchy as the fair value measurement is not based on observable market data.

Details of significant subsidiaries are set out in Note 30. A list of other operating subsidiaries of the Group can be found on pages 209 and 210 of the annual report.

## 12. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Investments in associates	<b>75,874</b>	78,353	<b>31,160</b>	31,160

The Group equity accounted for its associates based on their respective (consolidated) financial statements prepared in accordance with FRS, modified for fair value adjustments on acquisition and any significant differences with the Group's accounting policies.

The Group's associates comprised mainly the following:

	MediaCorp Press Ltd ("MCPL")	MediaCorp TV Holdings Pte Ltd ("MCTV")	MindChamps Preschool (Worldwide) Pte Limited ("MindChamps")
Nature of relationship with the Group	Related media business	Related media business	Business adjacency
Principal place of business/ Country of incorporation	Singapore	Singapore	Singapore
Ownership interest/Voting rights held	40% (2014: 40%)	20% (2014: 20%)	22% (2014: 22%)

# Notes to the Financial Statements

August 31, 2015

## 12. INVESTMENTS IN ASSOCIATES (CONT'D)

The summarised financial information of these associates, not adjusted for the proportional ownership interest held by the Group, is as follows:

	MCPL S\$'000	MCTV S\$'000	MindChamps S\$'000
<b>2015</b>			
Revenue	64,543	290,549	11,126
Profit after tax	5,435	2,676	3,384
Other comprehensive income	342	(580)	37
<b>Total comprehensive income</b>	<b>5,777</b>	<b>2,096</b>	<b>3,421</b>
Attributable to:			
- Non-controlling interests	-	(58)	198
- Associate's shareholders	5,777	2,154	3,223
Non-current assets	15,570	26,969	1,091
Current assets	31,713	141,785	8,348
Non-current liabilities	(310)	(3,301)	(195)
Current liabilities	(11,110)	(56,824)	(4,897)
<b>Net assets</b>	<b>35,863</b>	<b>108,629</b>	<b>4,347</b>
Attributable to:			
- Non-controlling interests	-	410	141
- Associate's shareholders	35,863	108,219	4,206

The following table summarises the carrying amount and share of profit/(loss) and other comprehensive income of the Group's associates in the consolidated financial statements:

	MCPL S\$'000	MCTV S\$'000	MindChamps S\$'000	Other associates S\$'000	Total S\$'000
<b>2015</b>					
Beginning of financial year	33,683	21,224	12,000	11,446	78,353
Group's share of:					
Profit after tax	2,174	535	701		
Other comprehensive income	137	(115)	8		
Total comprehensive income	2,311	420	709	(702)	2,738
Dividends received	(6,566)	-	-	(385)	(6,951)
Gain on dilution of interest	-	-	-	1,943	1,943
Disposal	-	-	-	(480)	(480)
Group's contribution	-	-	-	271	271
End of financial year	29,428*	21,644	12,709*	12,093	75,874

\* The carrying amount of interests in MCPL and MindChamps includes goodwill on acquisition of S\$15.1 million and S\$11.8 million respectively.



# Notes to the Financial Statements

August 31, 2015

## 12. INVESTMENTS IN ASSOCIATES (CONT'D)

The summarised financial information of these associates, not adjusted for the proportional ownership interest held by the Group, is as follows:

	MCPL S\$'000	MCTV S\$'000	MindChamps S\$'000
<b>2014</b>			
Revenue	70,424	259,070	–
Profit after tax	8,187	5,521	–
Other comprehensive income	989	654	–
<b>Total comprehensive income</b>	<b>9,176</b>	<b>6,175</b>	<b>–</b>
Attributable to:			
- Non-controlling interests	–	(39)	–
- Associate's shareholders	9,176	6,214	–
Non-current assets	15,668	39,101	1,072
Current assets	41,310	116,542	5,341
Non-current liabilities	(402)	(4,240)	(223)
Current liabilities	(10,075)	(44,813)	(5,264)
<b>Net assets</b>	<b>46,501</b>	<b>106,590</b>	<b>926</b>
Attributable to:			
- Non-controlling interests	–	468	(57)
- Associate's shareholders	46,501	106,122	983

The following table summarises the carrying amount and share of profit/(loss) and other comprehensive income of the Group's associates in the consolidated financial statements:

	MCPL S\$'000	MCTV S\$'000	MindChamps S\$'000	Other associates S\$'000	Total S\$'000
<b>2014</b>					
Beginning of financial year	32,291	19,989	–	3,577	55,857
Group's share of:					
Profit after tax	3,275	1,104	–	–	–
Other comprehensive income	396	131	–	–	–
<b>Total comprehensive income</b>	<b>3,671</b>	<b>1,235</b>	<b>–</b>	<b>(328)</b>	<b>4,578</b>
Dividends/Distribution received	(2,279)	–	–	(686)	(2,965)
Disposal	–	–	–	(392)	(392)
Group's contribution	–	–	12,000	9,275	21,275
<b>End of financial year</b>	<b>33,683*</b>	<b>21,224</b>	<b>12,000*</b>	<b>11,446</b>	<b>78,353</b>

\* The carrying amount of interests in MCPL and MindChamps includes goodwill on acquisition of S\$15.1 million and S\$11.8 million respectively.

A list of operating associates of the Group can be found on page 211 of the annual report.

# Notes to the Financial Statements

August 31, 2015

## 13. INVESTMENTS IN JOINT VENTURES

	Group	
	2015 S\$'000	2014 S\$'000
Investments in joint ventures	<b>16,295</b>	6,688

The following table summarises, in aggregate, the carrying amount and share of profit/(loss) and other comprehensive income of the Group's joint ventures that are equity-accounted for in the consolidated financial statements:

	Group	
	2015 S\$'000	2014 S\$'000
Beginning of financial year	<b>6,688</b>	6,391
Group's share of:		
Loss after tax	<b>(13,896)</b>	(34,578)
Other comprehensive income	<b>(769)</b>	(1,132)
Total comprehensive income	<b>(14,665)</b>	(35,710)
Group's contribution	<b>24,839</b>	–
Dilution of interest	–	(16,856)
Gain on dilution of interest	–	52,863
Disposal	<b>(567)</b>	–
End of financial year	<b>16,295</b>	6,688

In the previous financial year, the Group completed the partial divestment of its interest in 701Search Pte Ltd to Telenor Communications II AS. As a result, the Group recognised a gain of S\$52.9 million on the divestment.

A list of operating joint ventures of the Group can be found on page 211 of the annual report.

## 14. LONG-TERM INVESTMENTS

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Available-for-sale financial assets</b>				
- Equity securities	<b>509,316</b>	540,733	<b>38,001</b>	42,998
- Bonds	<b>8,452</b>	–	–	–
- Investment funds	<b>98,687</b>	62,533	–	–
	<b>616,455</b>	603,266	<b>38,001</b>	42,998
<b>Financial assets at fair value through profit or loss</b>				
Designated at fair value on initial recognition				
- Bonds and notes	<b>857</b>	–	–	–
	<b>617,312</b>	603,266	<b>38,001</b>	42,998

# Notes to the Financial Statements

August 31, 2015

## 15. INTANGIBLE ASSETS

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Arising from business combinations				
- Goodwill [Note 15(a)]	<b>87,853</b>	69,124	-	-
- Technology, trademarks, licences, mastheads and others [Note 15(b)]	<b>100,459</b>	103,868	-	-
Acquired separately				
- Technology, trademarks and licences [Note 15(c)]	<b>283</b>	160	<b>32,211</b>	34,219
	<b>188,595</b>	173,152	<b>32,211</b>	34,219

### (a) Arising from business combinations - Goodwill

	Group	
	2015 S\$'000	2014 S\$'000
<b>Cost</b>		
Beginning of financial year	<b>83,597</b>	80,783
Acquisition of subsidiaries [Note 20(b)]	<b>27,430</b>	-
Acquisition of businesses by subsidiaries [Note 20(c)]	-	3,294
Currency translation differences	<b>60</b>	(480)
End of financial year	<b>111,087</b>	83,597
<b>Accumulated impairment</b>		
Beginning of financial year	<b>14,473</b>	14,591
Impairment charge [Note 25]	<b>8,768</b>	-
Currency translation differences	<b>(7)</b>	(118)
End of financial year	<b>23,234</b>	14,473
<b>Net book value</b>	<b>87,853</b>	69,124

During the financial year, the Group recognised an impairment charge of S\$8.8 million mainly for the magazine business within "Other operating expenses" due to unfavourable market conditions.

# Notes to the Financial Statements

August 31, 2015

## 15. INTANGIBLE ASSETS (CONT'D)

### (a) Arising from business combinations - Goodwill (cont'd)

#### Impairment test for goodwill

The carrying value of the Group's goodwill arising from acquisitions was assessed for impairment during the financial year.

Goodwill is allocated for impairment testing purposes to the individual entity or division, which is also the cash generating unit ("CGU").

	Group		Pre-tax discount rate <sup>(1)</sup>		Terminal growth rate <sup>(2)</sup>	
	2015 S\$'000	2014 S\$'000	2015 %	2014 %	2015 %	2014 %

Carrying value of goodwill in:

Singapore						
- Magazine	<b>20,029</b>	28,029	<b>9.2</b>	11.5	<b>2.3</b>	2.3
- Online	<b>53,376</b>	26,686	<b>13.3</b>	15.1	<b>2.3</b>	2.3
- Exhibition	<b>8,659</b>	8,194	<b>9.7</b>	12.2	<b>2.0</b>	2.0
Malaysia						
- Magazine	<b>3,574</b>	4,086	<b>11.1</b>	13.8	<b>2.0</b>	2.0
Multiple units with insignificant goodwill	<b>2,215</b>	2,129				
	<b>87,853</b>	69,124				

<sup>(1)</sup> The discount rate used is based on Weighted Average Cost of Capital (WACC) where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

<sup>(2)</sup> The terminal growth rate has been determined based on long-term expected inflation rate for the respective country or industry in which the entity or division operates.

The recoverable values of cash generating units including goodwill are determined based on value-in-use calculations.

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets approved by the Board and management forecasts over a period of five years. Cash flows beyond the terminal year are extrapolated using the estimated terminal growth rates stated in the table above. Key assumptions used in the calculation of value-in-use are growth rates, operating margins and discount rates. Capital expenditure is also assumed to be insignificant.

The management's approach in determining the value assigned to each of the key assumptions includes comparing the key assumptions used to past actual performances (i.e. retrospective reviews) and other external sources of information such as Government statistics on growth, inflation and etc.

As the process of evaluating goodwill impairment involves management judgement and prudent estimates of various factors including future cash flows as well as the cost of capital and long-term growth rates, the results can be highly sensitive to the assumptions used. Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount of the CGU to exceed its recoverable amount as at August 31, 2015.

# Notes to the Financial Statements

August 31, 2015

## 15. INTANGIBLE ASSETS (CONT'D)

### (b) Arising from business combinations

#### - Technology, trademarks, licences, mastheads and others

#### Group

	Technology S\$'000	Trademarks, licences, mastheads and others S\$'000	Total S\$'000
<b>2015</b>			
<b>Cost</b>			
Beginning of financial year	6,686	137,750	144,436
Acquisition of subsidiaries [Note 20(b)]	7,390	750	8,140
Currency translation differences	–	(227)	(227)
End of financial year	14,076	138,273	152,349
<b>Accumulated amortisation</b>			
Beginning of financial year	3,829	36,739	40,568
Amortisation charge [Note 25]	2,321	8,700	11,021
Impairment charge [Note 25]	–	301	301
End of financial year	6,150	45,740	51,890
<b>Net book value</b>	<b>7,926</b>	<b>92,533</b>	<b>100,459</b>
<b>2014</b>			
<b>Cost</b>			
Beginning of financial year	6,506	129,447	135,953
Acquisition of businesses by subsidiaries [Note 20(c)]	–	8,378	8,378
Currency translation differences	180	(75)	105
End of financial year	6,686	137,750	144,436
<b>Accumulated amortisation</b>			
Beginning of financial year	3,114	27,858	30,972
Amortisation charge [Note 25]	709	8,881	9,590
Currency translation differences	6	–	6
End of financial year	3,829	36,739	40,568
<b>Net book value</b>	<b>2,857</b>	<b>101,011</b>	<b>103,868</b>

# Notes to the Financial Statements

August 31, 2015

## 15. INTANGIBLE ASSETS (CONT'D)

### (c) Acquired separately - Technology, trademarks and licences

	Group	
	2015 S\$'000	2014 S\$'000
<b>Cost</b>		
Beginning of financial year	204	204
Additions	155	–
Currency translation differences	(11)	–
End of financial year	348	204
<b>Accumulated amortisation</b>		
Beginning of financial year	44	20
Amortisation charge [Note 25]	21	24
End of financial year	65	44
<b>Net book value</b>	<b>283</b>	<b>160</b>

### Company

	Technology S\$'000	Trademarks, licences, mastheads and others S\$'000	Total S\$'000
<b>2015</b>			
<b>Cost</b>			
Beginning and end of financial year	178	36,889	37,067
<b>Accumulated amortisation</b>			
Beginning of financial year	84	2,764	2,848
Amortisation charge	59	1,949	2,008
End of financial year	143	4,713	4,856
<b>Net book value</b>	<b>35</b>	<b>32,176</b>	<b>32,211</b>
<b>2014</b>			
<b>Cost</b>			
Beginning and end of financial year	178	36,889	37,067
<b>Accumulated amortisation</b>			
Beginning of financial year	25	812	837
Amortisation charge	59	1,952	2,011
End of financial year	84	2,764	2,848
<b>Net book value</b>	<b>94</b>	<b>34,125</b>	<b>34,219</b>

# Notes to the Financial Statements

August 31, 2015

## 16. INVENTORIES

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Raw materials and consumable stores	<b>13,138</b>	26,264	<b>11,400</b>	24,482
Allowance for write-down of inventories	<b>(661)</b>	(2,317)	<b>(615)</b>	(2,267)
	<b>12,477</b>	23,947	<b>10,785</b>	22,215

The cost of inventories recognised as an expense and included in materials, production and distribution costs in the income statement amounted to S\$75.7 million (2014: S\$89 million).

During the financial year, the Group wrote-back an allowance for stock obsolescence amounting to S\$1.6 million as those stocks were utilised. (2014: An allowance of S\$18,000 was made).

## 17. TRADE AND OTHER RECEIVABLES

### (a) Non-current

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Loans to subsidiaries [Note 17(a)(i)]	–	–	–	229,672
Staff loans	<b>3,612</b>	2,658	<b>3,524</b>	2,508
Sundry debtors	<b>830</b>	1,014	<b>151</b>	58
	<b>4,442</b>	3,672	<b>3,675</b>	232,238

- (i) As at August 31, 2014, the loan to a subsidiary of S\$230 million was non-trade and secured, inter alia, by way of a second legal mortgage on the subsidiary's investment property [Note 10]. The loan was fully repaid during the financial year ended August 31, 2015.

# Notes to the Financial Statements

August 31, 2015

## 17. TRADE AND OTHER RECEIVABLES (CONT'D)

### (b) Current

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Trade receivables				
- Non-related parties	<b>125,860</b>	135,518	<b>88,274</b>	96,236
- Less: Allowance for impairment of receivables – non-related parties	<b>(9,193)</b>	(11,567)	<b>(6,693)</b>	(8,767)
	<b>116,667</b>	123,951	<b>81,581</b>	87,469
Amount owing by				
- Subsidiaries [Note 17(b)(i)]	–	–	<b>1,036,986</b>	1,199,981
- Associates [Note 17(b)(ii)]	<b>40</b>	150	–	–
- Joint ventures [Note 17(b)(ii)]	<b>129</b>	160	<b>117</b>	104
	<b>169</b>	310	<b>1,037,103</b>	1,200,085
Loans to subsidiaries [Note 17(b)(iii)]	–	–	<b>329,911</b>	272,078
Accrued interest	<b>885</b>	1,463	<b>70</b>	145
Sundry debtors [Note 17(b)(iv)]	<b>66,567</b>	11,684	<b>1,554</b>	1,485
Prepayments	<b>6,527</b>	6,003	<b>4,343</b>	4,181
Staff loans	<b>1,323</b>	1,032	<b>1,250</b>	935
	<b>192,138</b>	144,443	<b>1,455,812</b>	1,566,378

- (i) The amounts owing by subsidiaries are non-trade, unsecured, interest-free and repayable on demand. The amounts included an allowance for impairment of S\$1.2 million (2014: S\$1.2 million).
- (ii) The amounts owing by associates and joint ventures are non-trade, unsecured, interest-free and repayable on demand.
- (iii) The loans to subsidiaries are unsecured, interest-free and repayable on demand. The loans included an allowance for impairment of S\$65.5 million (2014: S\$44.7 million). During the current financial year, an allowance for impairment loss of S\$20.8 million (2014: nil) was recognised in respect of loans to a subsidiary following a review of the subsidiary's business.
- (iv) The amounts owing by sundry debtors included proceeds of S\$52 million from the disposal of short-term investments due after financial year-end.



# Notes to the Financial Statements

August 31, 2015

## 18. SHORT-TERM INVESTMENTS

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>Available-for-sale financial assets</b>				
- Equity securities	859	2,683	-	-
- Bonds	61,434	310,812	29,988	179,982
- Investment funds	360,228	650,184	2,067	27,554
	<b>422,521</b>	963,679	<b>32,055</b>	207,536
<b>Financial assets at fair value through profit or loss</b>				
Designated at fair value on initial recognition				
- Bonds and notes	41,608	53,578	-	-
- Preference shares	10,504	10,769	-	-
	<b>52,112</b>	64,347	-	-
	<b>474,633</b>	1,028,026	<b>32,055</b>	207,536

During the financial year, the Group recognised an impairment loss of S\$1.4 million (2014: S\$7.3 million) on certain available-for-sale financial assets within "Net income from investments" due to prolonged decline in value.

## 19. DERIVATIVE FINANCIAL INSTRUMENTS

Analysed as:

### Group

### 2015

	Contract Notional Amount S\$'000	Fair Value	
		Assets S\$'000	Liabilities S\$'000
<b>Non-current</b>			
Cash flow hedge			
- Interest-rate swaps [Note 8(h)]	550,000	4,631	-
<b>Current</b>			
Cash flow hedge			
- Interest-rate swaps [Note 8(h)]	120,000	366	-
Derivatives that do not qualify as hedges			
- Currency forwards	236,617	106	7,081
		<b>472</b>	<b>7,081</b>

# Notes to the Financial Statements

August 31, 2015

## 19. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

Analysed as:

Group

2014

	Contract Notional Amount S\$'000	Fair Value	
		Assets S\$'000	Liabilities S\$'000
<b>Non-current</b>			
Cash flow hedge			
- Interest-rate swaps [Note 8(h)]	315,000	–	8,757
<b>Current</b>			
Cash flow hedge			
- Interest-rate swaps [Note 8(h)]	120,000	–	303
Derivatives that do not qualify as hedges			
- Currency forwards	354,433	899	353
		899	656

Company

2014

	Contract Notional Amount S\$'000	Fair Value	
		Assets S\$'000	Liabilities S\$'000
<b>Current</b>			
Cash flow hedge			
- Interest-rate swaps [Note 8(h)]	120,000	–	303
Derivatives that do not qualify as hedges			
- Currency forwards	6,112	3	–

## 20. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents at the end of the financial year comprise the following:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Cash held as fixed bank deposits	<b>185,075</b>	271,376	<b>100,681</b>	161,856
Cash and bank balances	<b>107,171</b>	171,561	<b>52,248</b>	27,415
	<b>292,246</b>	442,937	<b>152,929</b>	189,271

# Notes to the Financial Statements

August 31, 2015

## 20. CASH AND CASH EQUIVALENTS (CONT'D)

### (b) Acquisition of subsidiaries

	Group At fair values 2015 S\$'000
<b>Identifiable assets and liabilities</b>	
Property, plant and equipment [Note 9(a)]	167
Intangible assets (excluding goodwill) [Note 15(b)]	8,140
Current assets (including cash)	2,983
Deferred income tax liabilities [Note 7(a)(i)]	(1,171)
Current liabilities	(2,936)
Identifiable net assets acquired	7,183
Less: Non-controlling interests at fair value	(2,543)
Less: Amount previously accounted for as an associated company	(580)
Goodwill on acquisition [Note 15(a)]	27,430
Total purchase consideration [Note 20(b)(i)]	31,490
Less: Cash and cash equivalents	(1,929)
Net cash outflow on acquisition of subsidiaries	29,561

#### Note (b)(i)

##### Waterbrooks Consultants Pte Ltd ("Waterbrooks")

On September 5, 2014, the Group acquired 60% of the issued share capital of Waterbrooks. Waterbrooks provides investor relations, financial and corporate communications, sustainability reporting and crisis management services. The acquisition included certain trademarks and other intellectual property rights of Waterbrooks.

The total consideration for the acquisition was S\$0.9 million. After accounting for cash acquired of S\$0.1 million, the net cash outflow as of August 31, 2015 was S\$0.8 million. The Group has recognised intangible assets of S\$0.8 million (including goodwill).

An amount of S\$1.1 million representing the fair value of the call option for the remaining 40% of the shares was recorded in the Group's capital reserve and liabilities accordingly.

The acquired business contributed revenue of S\$1.2 million and net profit of S\$0.1 million for the period September 5, 2014 to August 31, 2015. There is no material effect to the Group operating revenue and net profit had the acquisition occurred on September 1, 2014.

##### StreetSine Technology Group Pte Ltd ("StreetSine")

On October 31, 2014, the Group acquired 60% of the issued share capital of StreetSine. StreetSine provides real-time proprietary information and advanced analytics on the real estate sector in Singapore.

The total consideration for the acquisition was S\$30 million. After accounting for cash acquired of S\$1.6 million, the net cash outflow as of August 31, 2015 was S\$28.4 million. The Group has recognised intangible assets of S\$33.6 million (including goodwill).

The acquired business contributed revenue of S\$3.5 million and net loss of S\$1.8 million to the Group for the period October 31, 2014 to August 31, 2015. If the acquisition had occurred on September 1, 2014, Group operating revenue and net profit for the year ended August 31, 2015 would have increased by another S\$0.8 million and decreased by another S\$0.3 million respectively.

# Notes to the Financial Statements

August 31, 2015

## 20. CASH AND CASH EQUIVALENTS (CONT'D)

### (b) Acquisition of subsidiaries (cont'd)

#### Note (b)(i) (cont'd)

##### Beerfest Asia Pte Ltd ("Beerfest")

On June 2, 2015, the Group acquired an additional 40% stake in Beerfest at a consideration of S\$0.6 million. As a result, the Group's shareholdings in Beerfest increased from the initial 40% to 80%. The investment was re-categorised from Investment in associates to Investment in subsidiaries and accounted for accordingly.

The total consideration for the acquisition was S\$0.6 million. After accounting for cash acquired of S\$0.2 million, the net cash outflow as of August 31, 2015 was S\$0.4 million. The Group has recognised intangible assets of S\$1.2 million (including goodwill), subject to completion of the purchase price allocation exercise.

The acquired business contributed revenue of S\$1.7 million and net profit of S\$0.04 million to the Group for the period June 2, 2015 to August 31, 2015. There is no material effect to the Group operating revenue and net profit had the acquisition occurred on September 1, 2014.

### (c) Acquisition of businesses by subsidiaries

	Group At fair values 2014 S\$'000
<b>Identifiable assets and liabilities</b>	
Property, plant and equipment [Note 9(b)]	21
Intangible assets (excluding goodwill) [Note 15(b)]	8,378
Current assets	48
Identifiable net assets acquired	8,447
Goodwill on acquisitions [Note 15(a)]	3,294
Total purchase consideration [Note 20(c)(i)]	11,741
Less: Consideration payable	(1,210)
Net cash outflow on acquisition of businesses by subsidiaries	10,531

#### Note (c)(i)

##### Facon Exhibitions Sdn Bhd ("Facon")

On September 16, 2013, Sphere Exhibits Pte Ltd acquired the exhibitions business and certain assets of Facon for a total consideration of S\$7 million. The exhibitions business comprises exhibitions marketed in Malaysia under the respective names, logos and marks "Facon Education fair", "ICA" - an international exhibition on Instruments, Controls and Automation and "M. Lab" - an international exhibition on laboratory instruments and services.

The Group had recognised intangible assets (including goodwill) of S\$7 million.

The acquired business contributed revenue of S\$3.5 million and net profit of S\$1 million for the period September 16, 2013 to August 31, 2014. There was no material effect to the Group operating revenue and net profit had the acquisition occurred on September 1, 2013.

# Notes to the Financial Statements

August 31, 2015

## 20. CASH AND CASH EQUIVALENTS (CONT'D)

### (c) Acquisition of businesses by subsidiaries (cont'd)

#### Note (c)(i) (cont'd)

##### Write On Media Sdn Bhd ("WOM")

On December 2, 2013, Blu Inc Media Sdn Bhd acquired certain assets and contracts from WOM. WOM publishes HWM Malaysia, Home & Decor Malaysia, GameAxis Malaysia, Megaguide and Vibes.

The total consideration for the acquisition was S\$0.4 million. The net cash outflow as of August 31, 2014 was S\$0.3 million with the balance of S\$0.1 million payable upon meeting certain conditions. The Group had recognised goodwill of S\$0.4 million.

The acquired business contributed revenue of S\$1 million and net loss of S\$0.2 million to the Group for the period December 2, 2013 to August 31, 2014. If the acquisition had occurred on September 1, 2013, Group operating revenue and net profit for the year ended August 31, 2014 would have increased by another S\$0.6 million and S\$0.1 million respectively.

##### Harenet Communications Sdn Bhd and Harenet Expo Sdn Bhd (collectively "Harenet")

On May 27, 2014, Sphere Exhibits Pte Ltd acquired the exhibitions and events business of Harenet. The acquired business comprised exhibitions marketed in Malaysia under the respective names, logos and marks "KL wedding expo", "Parents & Kids Expo", "International Baby Expo" and "Motherhood Expo".

The total consideration for the acquisition was S\$2 million. The net cash outflow as at August 31, 2014 was S\$1 million. The balance of S\$1 million was payable upon meeting certain conditions. The Group had recognised intangible assets (including goodwill) of S\$2 million.

The acquired business contributed revenue of S\$0.5 million and net profit of S\$0.1 million to the Group for the period May 27, 2014 to August 31, 2014. If the acquisition had occurred on September 1, 2013, Group operating revenue and net profit for the year ended August 31, 2014 would have increased by another S\$1.6 million and S\$0.3 million respectively.

##### White Wave Media Group Pte Ltd ("WWMG")

On August 31, 2014, SPH Magazines Pte Ltd acquired the business and assets of Luxury-Insider.com from WWMG.

The total consideration for the acquisition was S\$2.4 million and of which S\$2.3 million was paid as at August 31, 2014. The Group had recognised intangible assets (including goodwill) of S\$2.3 million.

If the acquisition had occurred on September 1, 2013, Group operating revenue and net profit for the year ended August 31, 2014 would have increased by another S\$0.7 million and S\$0.3 million respectively.

# Notes to the Financial Statements

August 31, 2015

## 21. TRADE AND OTHER PAYABLES

### (a) Non-current

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Deposits received	<b>42,728</b>	34,875	–	–
Collections in advance	<b>5,471</b>	–	<b>5,471</b>	–
	<b>48,199</b>	34,875	<b>5,471</b>	–

### (b) Current

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Trade payables – non-related parties	<b>29,954</b>	24,718	<b>18,282</b>	12,124
Amount owing to				
- Subsidiaries [Note 21(b)(i)]	–	–	<b>662,027</b>	639,397
- Joint ventures [Note 21(b)(ii)]	<b>17,188</b>	24,926	<b>7,529</b>	24,926
	<b>17,188</b>	24,926	<b>669,556</b>	664,323
Accrued operating expenses	<b>142,920</b>	170,650	<b>93,017</b>	107,405
Deposits received	<b>23,461</b>	28,732	<b>9,781</b>	10,067
Sundry creditors	<b>20,416</b>	17,719	<b>12,013</b>	12,170
Collections in advance	<b>37,232</b>	31,301	<b>15,796</b>	13,245
	<b>271,171</b>	298,046	<b>818,445</b>	819,334

(i) The amounts owing to subsidiaries are non-trade, unsecured, repayable on demand and interest-free. As at August 31, 2014, there was an amount of S\$9.8 million owing to a subsidiary with effective interest rate of 0.42% per annum.

(ii) The amounts owing to joint ventures are non-trade, unsecured, repayable on demand and interest-bearing. The effective interest rates range from 0.43% to 0.46% (2014: 0.18% to 0.29%) per annum as at the balance sheet date.

# Notes to the Financial Statements

August 31, 2015

## 22. CAPITAL AND OTHER COMMITMENTS

### (a) Commitments for capital expenditure and investments

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Authorised and contracted for				
- Property, plant and equipment	<b>7,777</b>	5,007	<b>7,496</b>	4,832
- Investment properties	<b>6,450</b>	39,262	–	–
- Long-term/Short-term investments	<b>18,483</b>	9,272	–	–
	<b>32,710</b>	53,541	<b>7,496</b>	4,832

### (b) Operating lease commitments – where the Group and/or Company is a lessee

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Within 1 year	<b>8,823</b>	9,064	<b>305</b>	565
Between 1 - 5 years	<b>21,430</b>	21,217	<b>272</b>	473
After 5 years	<b>127,557</b>	134,789	–	–
	<b>157,810</b>	165,070	<b>577</b>	1,038

The Group and Company lease various commercial/residential space and plant and machinery under non-cancellable operating lease agreements with varying terms and renewal rights.

The operating lease rental expense of S\$15.4 million (2014: S\$13.6 million) was recognised in the income statement during the financial year.

### (c) Operating lease commitments – where the Group is a lessor

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group	
	2015 S\$'000	2014 S\$'000
Within 1 year	<b>221,382</b>	206,243
Between 1 - 5 years	<b>327,737</b>	351,587
After 5 years	<b>2,998</b>	4,663
	<b>552,117</b>	562,493

The Group leases to third parties various commercial/residential space under non-cancellable operating lease agreements with varying terms, escalation clauses and renewal rights.

# Notes to the Financial Statements

August 31, 2015

## 23. OPERATING REVENUE

	Group	
	2015 S\$'000	2014 S\$'000
<b>Media</b>		
Sale of services – Advertisements	<b>668,025</b>	721,690
Sale of goods – Circulation	<b>175,973</b>	186,035
Others	<b>58,508</b>	55,655
	<b>902,506</b>	963,380
<b>Property</b>		
Rental and rental-related services	<b>230,751</b>	204,985
<b>Others</b>		
Sale of services – Advertisements	<b>14,034</b>	14,369
Sale of services – Multimedia and other services	<b>29,789</b>	32,450
	<b>43,823</b>	46,819
	<b>1,177,080</b>	1,215,184

## 24. STAFF COSTS

	Group	
	2015 S\$'000	2014 S\$'000
Salaries, bonuses and other costs	<b>326,311</b>	330,678
Employers' contribution to defined contribution plans	<b>39,359</b>	38,865
Share-based compensation expense [Note 5(b)]	<b>5,940</b>	4,976
	<b>371,610</b>	374,519



# Notes to the Financial Statements

August 31, 2015

## 25. OTHER OPERATING EXPENSES

	Group	
	2015 S\$'000	2014 S\$'000
Included in other operating expenses are:		
Audit fees		
- Company's auditors	<b>867</b>	858
- Other auditors	<b>74</b>	49
Non-audit fees <sup>#</sup>		
- Company's auditors	<b>289</b>	267
Net foreign exchange differences from operations	<b>657</b>	462
Allowance for impairment of trade receivables [Note 31(b)(ii)]	<b>370</b>	3,761
Bad debts recovery	<b>(251)</b>	(300)
Impairment of property, plant and equipment	<b>-</b>	9,939
Net loss on disposal of property, plant and equipment	<b>150</b>	618
Impairment of goodwill [Note 15(a)]	<b>8,768</b>	-
Impairment of intangible assets [Note 15(b)]	<b>301</b>	-
Amortisation of intangible assets [Note 15(b) and 15(c)]	<b>11,042</b>	9,614
Write-back of impairment of loan to an associate	<b>-</b>	(388)

<sup>#</sup> Non-audit fees are mainly for services relating to non-statutory audit/review assignments.

## 26. FINANCE COSTS

	Group	
	2015 S\$'000	2014 S\$'000
Interest expense		
- Bank loans	<b>18,763</b>	11,517
- Fixed rate notes	<b>8,407</b>	16,860
- Loans from non-controlling interest	<b>492</b>	-
Cash flow hedges, reclassified from hedging reserve*	<b>5,958</b>	6,689
	<b>33,620</b>	35,066

\* In relation to interest rate swap arrangements in Note 8(h).

# Notes to the Financial Statements

August 31, 2015

## 27. NET INCOME FROM INVESTMENTS

	Group	
	2015 S\$'000	2014 S\$'000
<b>Available-for-sale financial assets</b>		
Interest income	1,817	3,025
Dividend income	30,413	33,284
Net foreign exchange differences	5,808	235
Transfer from fair value reserve on disposal of investments [Note 5(d)]	43,991	11,865
Impairment of investments [Note 5(d) and 18]	(1,419)	(7,282)
	<b>80,610</b>	41,127
<b>Financial assets at fair value through profit or loss</b>		
Net fair value changes on investments		
- Designated upon initial recognition	1,515	2,406
- Held for trading	202	-
Net fair value changes on derivative financial instruments	(37,318)	3,141
	<b>(35,601)</b>	5,547
<b>Deposits with financial institutions</b>		
Interest income	2,397	2,573
Net foreign exchange differences	4,301	(1,032)
	<b>6,698</b>	1,541
	<b>51,707</b>	48,215

## 28. DIVIDENDS

	Group and Company	
	2015 S\$'000	2014 S\$'000
Tax-exempt dividends paid:		
- Final dividend of 8 cents per share in respect of previous financial year (2014: 8 cents per share)	129,300	129,230
- Special final dividend of 6 cents per share in respect of previous financial year (2014: 7 cents per share)	96,975	113,077
- Interim dividend of 7 cents per share (2014: 7 cents per share)	113,073	113,137
	<b>339,348</b>	355,444

The Directors have proposed a final dividend of 8 cents per share and a special final dividend of 5 cents per share for the financial year, amounting to a total of S\$209.8 million. These dividends are tax-exempt.

These financial statements do not reflect these proposed dividends, which will be accounted for in shareholders' interests as an appropriation of retained profit in the financial year ending August 31, 2016 when they are approved at the next annual general meeting.

# Notes to the Financial Statements

August 31, 2015

## 29. EARNINGS PER SHARE

	Group			
	2015		2014	
	Basic S\$'000	Diluted S\$'000	Basic S\$'000	Diluted S\$'000
Profit after taxation attributable to shareholders of the Company	<b>321,701</b>	<b>321,701</b>	404,286	404,286
	Number of Shares '000		Number of Shares '000	
Weighted average number of shares	<b>1,615,527</b>	<b>1,615,527</b>	1,615,858	1,615,858
Adjustment for assumed conversion of performance shares	–	<b>7,372</b>	–	8,004
Weighted average number of shares used to compute earnings per share	<b>1,615,527</b>	<b>1,622,899</b>	1,615,858	1,623,862
	Basic	Diluted	Basic	Diluted
Earnings per share (S\$)	<b>0.20</b>	<b>0.20</b>	0.25	0.25

## 30. SIGNIFICANT SUBSIDIARIES OF THE GROUP

Name of Subsidiaries	Principal Activities	Country of Incorporation	Effective % of Equity held by the Group	
			2015 %	2014 %
Times Properties Private Limited	Letting properties and provision of property management services	Singapore	<b>100</b>	100
Orchard 290 Ltd	Holding investments and management of shopping centres and other commercial properties	Singapore	<b>100</b>	100
Singapore News and Publications Limited	Holding investments and properties	Singapore	<b>100</b>	100
Singapore Newspaper Services Private Limited	Holding investments and properties	Singapore	<b>100</b>	100
Lianhe Investments Pte. Ltd.	Holding investments for trading purposes	Singapore	<b>100</b>	100
SPH MultiMedia Private Limited	Holding investments	Singapore	<b>100</b>	100
SPH AsiaOne Ltd	Holding investments	Singapore	<b>100</b>	100
The Seletar Mall Pte Ltd	Holding property investments and management of shopping centre	Singapore	<b>70</b>	70
SPH REIT	Holding property investments	Singapore	<b>70</b>	70

*Note:*

<sup>(i)</sup> The above companies are audited by KPMG LLP, Singapore.

<sup>(ii)</sup> A list of other operating subsidiaries of the Group can be found on pages 209 and 210 of the annual report.

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, particularly market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. Where appropriate, the Group's risk management policies seek to minimise potential adverse effects of these risks on the financial performance of the Group.

Matters pertaining to risk management strategies and execution require the decision and approval of the Board of Directors ("Board").

Financial risk management is mainly carried out by a central treasury department ("Treasury & Investment") in accordance with policies approved by the Board. Treasury & Investment analyses its investment portfolio and works closely with business units to identify, evaluate and hedge financial risks where appropriate. Guidelines for authority levels and exposure limits are in place to prevent unauthorised transactions. The Board is regularly updated on the Group's financial investments and hedging activities.

The policies for managing these risks are summarised below.

### (a) Market risk

#### (i) Currency risk

The currency risk of the Group arises mainly from its operational purchases of raw materials and consumable stores and capital expenditure denominated in currencies other than the functional currency. In addition, currency risk also arises from the Group's foreign currency investments and from costs incurred by its overseas news bureaus. The Group also has investments in foreign subsidiaries, associates and joint ventures, whose net assets are exposed to currency translation risk.

Where appropriate, the Group enters into foreign exchange forward contracts and cross currency swaps to hedge against its currency risk resulting from anticipated sale and purchase transactions in foreign currencies, its foreign currency denominated investments and net assets of its foreign subsidiaries, associates and joint ventures.

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (i) Currency risk (cont'd)

The Group's currency exposure on its monetary financial assets and liabilities based on the information provided to key management is as follows:

#### 2015

	SGD S\$'000	USD S\$'000	Others S\$'000	Total S\$'000
<b>Financial assets</b>				
Trade and other receivables	125,801	53,230	7,390	186,421
Long-term investments	8,452	–	–	8,452
Short-term investments	103,042	–	–	103,042
Cash and cash equivalents	261,984	17,677	12,585	292,246
	<b>499,279</b>	<b>70,907</b>	<b>19,975</b>	<b>590,161</b>
<b>Financial liabilities</b>				
Trade and other payables	(253,626)	(16,851)	(6,190)	(276,667)
Borrowings	(1,281,601)	–	(2,351)	(1,283,952)
	<b>(1,535,227)</b>	<b>(16,851)</b>	<b>(8,541)</b>	<b>(1,560,619)</b>
<b>Net financial (liabilities)/assets</b>	<b>(1,035,948)</b>	<b>54,056</b>	<b>11,434</b>	<b>(970,458)</b>
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	1,035,948	–	(9,320)	1,026,628
Less: Firm commitments in foreign currencies	–	(2,401)	(19)	(2,420)
Less: Currency forwards	–	(239,668)	(3,491)	(243,159)
<b>Currency exposure</b>	<b>–</b>	<b>(188,013)</b>	<b>(1,396)</b>	<b>(189,409)</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (i) Currency risk (cont'd)

2014

	SGD S\$'000	USD S\$'000	Others S\$'000	Total S\$'000
<b>Financial assets</b>				
Trade and other receivables	125,956	1,274	11,733	138,963
Short-term investments	364,390	–	–	364,390
Cash and cash equivalents	427,665	4,964	10,308	442,937
	918,011	6,238	22,041	946,290
<b>Financial liabilities</b>				
Trade and other payables	(289,999)	(3,063)	(8,558)	(301,620)
Borrowings	(1,802,472)	–	(3,004)	(1,805,476)
	(2,092,471)	(3,063)	(11,562)	(2,107,096)
<b>Net financial (liabilities)/assets</b>	(1,174,460)	3,175	10,479	(1,160,806)
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	1,174,460	–	(9,234)	1,165,226
Less: Firm commitments in foreign currencies	–	(693)	(272)	(965)
Less: Currency forwards	–	(343,407)	(11,026)	(354,433)
<b>Currency exposure</b>	–	(340,925)	(10,053)	(350,978)

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (i) Currency risk (cont'd)

The Company's currency exposure on its monetary financial assets and liabilities based on the information provided to key management is as follows:

#### 2015

	SGD S\$'000	USD S\$'000	Others S\$'000	Total S\$'000
<b>Financial assets</b>				
Trade and other receivables	1,454,487	405	252	1,455,144
Short-term investments	29,988	–	–	29,988
Cash and cash equivalents	136,047	16,501	381	152,929
	<b>1,620,522</b>	<b>16,906</b>	<b>633</b>	<b>1,638,061</b>
<b>Financial liabilities</b>				
Trade and other payables	(789,807)	(12,734)	(108)	(802,649)
Borrowings	(85,000)	–	–	(85,000)
	<b>(874,807)</b>	<b>(12,734)</b>	<b>(108)</b>	<b>(887,649)</b>
<b>Net financial assets</b>	<b>745,715</b>	<b>4,172</b>	<b>525</b>	<b>750,412</b>
Less: Net financial assets denominated in the Company's functional currencies	(745,715)	–	–	(745,715)
Less: Firm commitments in foreign currencies	–	(2,401)	(19)	(2,420)
<b>Currency exposure</b>	<b>–</b>	<b>1,771</b>	<b>506</b>	<b>2,277</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (i) Currency risk (cont'd)

2014

	SGD S\$'000	USD S\$'000	Others S\$'000	Total S\$'000
<b>Financial assets</b>				
Trade and other receivables	1,793,366	769	300	1,794,435
Short-term investments	179,982	–	–	179,982
Cash and cash equivalents	185,755	3,188	328	189,271
	2,159,103	3,957	628	2,163,688
<b>Financial liabilities</b>				
Trade and other payables	(802,200)	(3,518)	(371)	(806,089)
Borrowings	(829,482)	–	–	(829,482)
	(1,631,682)	(3,518)	(371)	(1,635,571)
<b>Net financial assets</b>	527,421	439	257	528,117
Less: Net financial assets denominated in the Company's functional currencies	(527,421)	–	–	(527,421)
Less: Firm commitments in foreign currencies	–	(693)	(272)	(965)
Less: Currency forwards	–	(6,112)	–	(6,112)
<b>Currency exposure</b>	–	(6,366)	(15)	(6,381)



# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (i) Currency risk (cont'd)

If the USD changed against the SGD by 5% (2014: 5%) with all other variables including tax rate being held constant, the effects arising from the currency exposure will be as follows:

	2015		2014	
	Profit after tax S\$'000	Other comprehensive income S\$'000	Profit after tax S\$'000	Other comprehensive income S\$'000

#### Increase/(Decrease)

##### Group

USD against SGD				
- strengthened	(7,803)	–	(14,148)	–
- weakened	7,803	–	14,148	–

##### Company

USD against SGD				
- strengthened	73	–	(264)	–
- weakened	(73)	–	264	–

#### (ii) Price risk

The Group is exposed to equity securities price risk arising from its equity investments which are classified either as available-for-sale or at fair value through profit or loss. To manage the price risk arising from its investments in equity securities, the Group diversifies its portfolio across different markets and industries, where appropriate.

If prices for equity securities changed by 20% (2014: 20%) with all other variables including tax rate being held constant, the effects on profit after tax and other comprehensive income arising from the change in valuation of the equity securities will be as follows:

	2015		2014	
	Profit after tax S\$'000	Other comprehensive income S\$'000	Profit after tax S\$'000	Other comprehensive income S\$'000

#### Increase/(Decrease)

##### Group

Long-term and Short-term investments				
- increased by	1,915	181,194	1,788	222,626
- decreased by	(1,915)	(181,194)	(1,788)	(222,626)

##### Company

Long-term investments				
- increased by	–	7,600	–	8,600
- decreased by	–	(7,600)	–	(8,600)

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Market risk (cont'd)

#### (iii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group has cash balances placed with reputable banks and financial institutions, and investments in bonds and government-related securities, which generate interest income for the Group. The Group manages its interest rate risks by placing such balances on varying maturities and interest rate terms.

The Group's debt comprises mainly bank borrowings taken up by the Company and its subsidiaries to finance its operations. Where appropriate, the Group seeks to minimise its cash flow interest rate risk exposure by entering into interest rate swap contract to swap floating interest rate for fixed interest rate over the duration of its borrowings.

The Group's and the Company's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD.

Movements in interest rates will therefore have an impact on the Group. A change of 0.5% point (2014: 0.5% point) in interest rate at the reporting date would affect profit after tax and other comprehensive income by the amounts shown below, assuming that all other variables remain constant.

	2015		2014	
	Profit after tax S\$'000	Other comprehensive income S\$'000	Profit after tax S\$'000	Other comprehensive income S\$'000
<b>Increase/(Decrease)</b>				
<b>Group</b>				
Borrowings				
- increased by	(1,480)	–	(2,772)	–
- decreased by	1,480	–	2,772	–
Short-term investments				
- increased by	(179)	(161)	(346)	(1,030)
- decreased by	179	161	346	1,030
<b>Company</b>				
Borrowings				
- increased by	–	–	(456)	–
- decreased by	–	–	456	–

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, thereby resulting in financial loss to the Group. For trade receivables, the Group manages its credit risk through the application of credit approvals, credit limits and monitoring procedures. Where appropriate, the Group obtains collateral in the form of deposits, bankers'/insurance guarantees from its customers, and imposes cash terms and/or advance payments from customers of lower credit standing. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties. As such, management has determined the credit quality of the customers to be of acceptable risk.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet which comprise mainly trade and other receivables, investments in bonds and notes, and cash balances placed with banks. As at August 31, 2015, trade and other receivables included amounts owing by three counterparties totalling S\$52 million, being proceeds from the disposal of short-term investments due after financial year-end. In addition, the Company is the primary obligor for unsecured composite advance facilities which could be utilised by the Company and its designated subsidiaries. The amount utilised by the Company as at August 31, 2015 was S\$85 million (2014: nil) [Note 8(g)].

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
<b>By types of customers</b>				
Advertisement	<b>80,405</b>	87,269	<b>66,424</b>	70,191
Circulation	<b>12,341</b>	11,699	<b>11,429</b>	10,261
Multimedia	<b>4,610</b>	4,293	<b>1,535</b>	1,904
Broadcasting	<b>4,270</b>	5,018	–	–
Rental	<b>3,249</b>	2,121	–	–
Others	<b>11,792</b>	13,551	<b>2,193</b>	5,113
	<b>116,667</b>	123,951	<b>81,581</b>	87,469

As at August 31, 2015, 40% - 60% (2014: 40% - 60%) of the trade receivables were backed by bankers'/insurance guarantees and/or deposits from customers.

### (i) Financial assets that are neither past due nor impaired

Bank deposits and investments in bonds are neither past due nor impaired. Bank deposits are placed with reputable banks and financial institutions. The Group's bond portfolio is primarily invested in investment grade securities. Trade receivables that are neither past due nor impaired are substantially due from companies with a good collection track record with the Group.

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (b) Credit risk (cont'd)

#### (ii) Financial assets that are past due and/or impaired

The age analysis of trade receivables past due but not impaired is as follows:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Past due 1 to 30 days	<b>22,061</b>	23,735	<b>12,805</b>	10,936
Past due 31 to 60 days	<b>8,523</b>	8,811	<b>3,568</b>	4,030
Past due 61 to 90 days	<b>4,208</b>	4,018	<b>1,393</b>	1,129
Past due over 90 days	<b>4,330</b>	4,223	<b>2,878</b>	2,032
	<b>39,122</b>	40,787	<b>20,644</b>	18,127

The carrying amount of trade receivables individually determined to be impaired and the movements in the related allowance for impairment are as follows:

	Group		Company	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Gross amount	<b>9,193</b>	11,567	<b>6,693</b>	8,767
Less: Allowance for impairment	<b>(9,193)</b>	(11,567)	<b>(6,693)</b>	(8,767)
	–	–	–	–
Beginning of financial year	<b>11,567</b>	10,385	<b>8,767</b>	7,503
Acquisition of a subsidiary	<b>69</b>	–	–	–
Allowance made [Note 25]	<b>370</b>	3,761	<b>61</b>	3,225
Allowance utilised	<b>(2,808)</b>	(2,552)	<b>(2,135)</b>	(1,961)
Currency translation difference	<b>(5)</b>	(27)	–	–
End of financial year	<b>9,193</b>	11,567	<b>6,693</b>	8,767

The basis of determining impairment is set out in the accounting policy Note 2(i)(v).

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (c) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents to finance the Group's operations and mitigate the effects of fluctuation in cash flows.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000	Over 5 years S\$'000
<b>Group</b>				
<b>At August 31, 2015</b>				
Net-settled interest rate swaps	(2,881)	453	7,301	–
Gross-settled currency forwards				
- Receipts	236,700	–	–	–
- Payments	(243,675)	–	–	–
Trade and other payables	(233,939)	(13,941)	(26,852)	(1,935)
Borrowings	(358,369)	(17,162)	(978,913)	–
	<b>(602,164)</b>	<b>(30,650)</b>	<b>(998,464)</b>	<b>(1,935)</b>
<b>At August 31, 2014</b>				
Net-settled interest rate swaps	(6,390)	(4,211)	(28)	1,487
Gross-settled currency forwards				
- Receipts	354,428	–	–	–
- Payments	(353,879)	–	–	–
Trade and other payables	(266,745)	(13,210)	(21,167)	(498)
Borrowings	(949,724)	(298,407)	(322,708)	(303,724)
	<b>(1,222,310)</b>	<b>(315,828)</b>	<b>(343,903)</b>	<b>(302,735)</b>
<b>Company</b>				
<b>At August 31, 2015</b>				
Trade and other payables	(802,649)	–	–	–
Borrowings	(85,046)	–	–	–
	<b>(887,695)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>At August 31, 2014</b>				
Net-settled interest rate swap	(330)	–	–	–
Gross-settled currency forwards				
- Receipts	6,115	–	–	–
- Payments	(6,112)	–	–	–
Trade and other payables	(806,089)	–	–	–
Borrowings	(839,987)	–	–	–
	<b>(1,646,403)</b>	<b>–</b>	<b>–</b>	<b>–</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (d) Capital management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The total capital of the Group and the Company as at the balance sheet dates is represented by the respective "Shareholders' interests" as presented on the balance sheets.

Management uses the "Return on Shareholders' Funds" as a measure of efficiency in managing capital. The "Return on Shareholders' Funds" is calculated as profit attributable to shareholders divided by shareholders' interests. The "Return on Shareholders' Funds" was 8.9% per annum for the current financial year ended August 31, 2015 (2014: 11.0% per annum) and is in line with the Group's objectives. The "Return on Shareholders' Funds" for the last 5 years was between 8.9% and 17.4%.

### (e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) Inputs for the asset and liability that are not based on observable market data (unobservable inputs) (Level 3).

#### Group

#### 2015

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Assets</b>				
Investment properties	–	–	3,940,951	3,940,951
Financial assets at fair value				
through profit or loss	52,112	857	–	52,969
Available-for-sale financial assets	683,305	231,267	124,404	1,038,976
Derivative financial instruments	–	5,103	–	5,103
	<b>735,417</b>	<b>237,227</b>	<b>4,065,355</b>	<b>5,037,999</b>
<b>Liabilities</b>				
Derivative financial instruments	–	(7,081)	–	(7,081)

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (e) Fair value measurements (cont'd)

Group

2014

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Assets</b>				
Investment properties	–	–	3,860,451	3,860,451
Financial assets at fair value through profit or loss	64,347	–	–	64,347
Available-for-sale financial assets	1,103,596	377,702	85,647	1,566,945
Derivative financial instruments	–	899	–	899
	1,167,943	378,601	3,946,098	5,492,642
<b>Liabilities</b>				
Derivative financial instruments	–	(9,413)	–	(9,413)

Company

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>2015</b>				
<b>Assets</b>				
Available-for-sale financial assets	70,056	–	–	70,056
<b>2014</b>				
<b>Assets</b>				
Available-for-sale financial assets	250,534	–	–	250,534
Derivative financial instruments	–	3	–	3
	250,534	3	–	250,537
<b>Liabilities</b>				
Derivative financial instruments	–	(303)	–	(303)

The assessment of the fair value of unquoted financial instruments is performed on a quarterly basis by the Group's finance department. The determination of the fair value of investment properties is performed on an annual basis by external independent property valuers having appropriate recognised professional qualifications and experience in the category of property being valued. Management reviews the appropriateness of the valuation methodologies and assumptions adopted and addresses any significant issues that may arise.

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (e) Fair value measurements (cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined from information provided by financial institutions and issuers using valuation techniques with observable inputs that are based on market information existing at each balance sheet date. These financial instruments are included in Level 2.

Where a valuation technique for financial instruments is based on significant unobservable inputs, such instruments are included in Level 3. The fair value of investment properties and available-for-sale financial assets included in Level 3 is determined as follows:

Description	Valuation technique(s)	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<b>Investment properties</b>			
Completed - Retail, residential and commercial	Capitalisation approach	Capitalisation rate: 3.8% to 5.0% (2014: 3.8% to 5.0%)	The estimated fair value varies inversely with the capitalisation rate.
	Discounted cashflow approach	Discount rate: 6.5% to 7.5% (2014: 6.5% to 7.5%)	The estimated fair value varies inversely with the discount rate.
	Comparable sales method	Comparable sales prices: S\$1,250psf to S\$1,993psf (2014: S\$1,100psf to S\$2,000psf)	The estimated fair value varies with comparable sales prices.
<b>Available-for-sale financial assets</b>			
Equities	Net tangible assets	Net tangible assets*	N.A.
Bonds	Net asset value	Net asset value**	N.A.
Investment funds	Net asset value	Net asset value**	N.A.

\* Fair value of unquoted equities is determined by reference to the underlying net tangible assets of the investee companies.

\*\* Fair value of unquoted bonds and unquoted investment funds is determined by reference to the underlying asset value of the investee companies, which comprise mainly investment properties at fair value or portfolio investments at fair value.

N.A. Not applicable



# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (e) Fair value measurements (cont'd)

Movements in Level 3 assets are as follows:

#### Group

	Available-for-sale financial assets			
	Investment properties S\$'000	Equities S\$'000	Bonds S\$'000	Investment funds S\$'000
<b>2015</b>				
At September 1, 2014	<b>3,860,451</b>	<b>733</b>	–	<b>84,914</b>
Purchases	<b>44,242</b>	<b>2,223</b>	<b>8,463</b>	<b>19,932</b>
Disposals	–	–	–	<b>(4,952)</b>
Gains/(Losses) recognised in income statement	<b>36,258</b>	–	–	<b>(1,394)</b>
Gains/(Losses) recognised in other comprehensive income	–	<b>670</b>	<b>(11)</b>	<b>7,773</b>
Transferred in from Level 2	–	<b>6,053</b>	–	–
At August 31, 2015	<b>3,940,951</b>	<b>9,679</b>	<b>8,452</b>	<b>106,273</b>
<b>2014</b>				
At September 1, 2013	3,672,565	5,372	–	52,575
Purchases	78,810	695	–	40,020
Disposals	–	–	–	(4,519)
Gains/(Losses) recognised in income statement	109,076	(713)	–	(6,353)
Gains/(Losses) recognised in other comprehensive income	–	113	–	3,191
Transferred out to Level 2	–	(4,734)	–	–
At August 31, 2014	3,860,451	733	–	84,914

During the financial year, an available-for-sale financial asset was transferred from Level 2 to Level 3 due to lack of recent arm's length transactions.

In the previous financial year, an available-for-sale financial asset was transferred from Level 3 to Level 2 as observable market data becomes available.

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (f) Financial assets and liabilities not measured at fair value but for which fair values are disclosed

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group</b>				
<b>2015</b>				
<b>Liabilities</b>				
Borrowings	–	52,531	–	52,531
<b>2014</b>				
<b>Liabilities</b>				
Borrowings	604,992	35,994	–	640,986
<b>Company</b>				
<b>2014</b>				
<b>Liabilities</b>				
Borrowings	604,992	–	–	604,992

### (g) Offsetting financial assets and liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the balance sheets.

#### Group

	Gross amount of recognised financial assets/ (liabilities) S\$'000	Gross amount of recognised financial assets/ (liabilities) offset in the balance sheet S\$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet S\$'000	Related amount not offset in the balance sheet S\$'000	Net amount S\$'000
<b>2015</b>					
<b>Financial assets</b>					
Currency forwards [Note 19]	106	–	106	(106)	–
Interest rate swaps [Note 19]	4,997	–	4,997	–	4,997
	<b>5,103</b>	<b>–</b>	<b>5,103</b>	<b>(106)</b>	<b>4,997</b>
<b>Financial liabilities</b>					
Currency forwards [Note 19]	(7,081)	–	(7,081)	106	(6,975)
<b>2014</b>					
<b>Financial assets</b>					
Currency forwards [Note 19]	899	–	899	(168)	731
<b>Financial liabilities</b>					
Currency forwards [Note 19]	(353)	–	(353)	168	(185)
Interest rate swaps [Note 19]	(9,060)	–	(9,060)	–	(9,060)
	<b>(9,413)</b>	<b>–</b>	<b>(9,413)</b>	<b>168</b>	<b>(9,245)</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (g) Offsetting financial assets and liabilities (cont'd)

Company

2014

	Gross amount of recognised financial assets/ (liabilities) S\$'000	Gross amount of recognised financial assets/ (liabilities) offset in the balance sheet S\$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet S\$'000	Related amount not offset in the balance sheet S\$'000	Net amount S\$'000
<b>Financial assets</b>					
Currency forwards [Note 19]	3	–	3	–	3
<b>Financial liabilities</b>					
Interest rate swap [Note 19]	(303)	–	(303)	–	(303)

### (h) Fair value

The basis for fair value measurement of financial assets and liabilities is set out in Notes 8(i) and 31(e). The fair values of other financial assets and liabilities approximate their carrying amounts.

### (i) Financial instruments by category

Group

2015

	Loans and receivables S\$'000	Financial assets at fair value through profit or loss S\$'000	Available-for-sale financial assets S\$'000	Derivatives used for hedging S\$'000	Total S\$'000
<b>Assets as per balance sheet</b>					
Trade and other receivables excluding non-financial instruments	186,421	–	–	–	186,421
Long-term investments	–	857	616,455	–	617,312
Short-term investments	–	52,112	422,521	–	474,633
Derivative financial instruments	–	106	–	4,997	5,103
Bank balances and fixed deposits	292,246	–	–	–	292,246
	478,667	53,075	1,038,976	4,997	1,575,715

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (i) Financial instruments by category (cont'd)

#### Group

#### 2015

	Financial liabilities at fair value through profit or loss S\$'000	Other financial liabilities at amortised cost S\$'000	Total S\$'000
<b>Liabilities as per balance sheet</b>			
Trade and other payables			
excluding non-financial instruments	–	276,667	276,667
Borrowings	–	1,283,952	1,283,952
Derivative financial instruments	7,081	–	7,081
	<b>7,081</b>	<b>1,560,619</b>	<b>1,567,700</b>

#### 2014

	Loans and receivables S\$'000	Financial assets at fair value through profit or loss S\$'000	Available-for-sale financial assets S\$'000	Total S\$'000
<b>Assets as per balance sheet</b>				
Trade and other receivables				
excluding non-financial instruments	138,963	–	–	138,963
Long-term investments	–	–	603,266	603,266
Short-term investments	–	64,347	963,679	1,028,026
Derivative financial instruments	–	899	–	899
Bank balances and fixed deposits	442,937	–	–	442,937
	<b>581,900</b>	<b>65,246</b>	<b>1,566,945</b>	<b>2,214,091</b>

	Financial liabilities at fair value through profit or loss S\$'000	Derivatives used for hedging S\$'000	Other financial liabilities at amortised cost S\$'000	Total S\$'000
<b>Liabilities as per balance sheet</b>				
Trade and other payables				
excluding non-financial instruments	–	–	(301,620)	(301,620)
Borrowings	–	–	(1,805,476)	(1,805,476)
Derivative financial instruments	(353)	(9,060)	–	(9,413)
	<b>(353)</b>	<b>(9,060)</b>	<b>(2,107,096)</b>	<b>(2,116,509)</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (i) Financial instruments by category (cont'd)

#### Company

2015

	Loans and receivables S\$'000	Available- for-sale financial assets S\$'000	Total S\$'000
<b>Assets as per balance sheet</b>			
Trade and other receivables			
excluding non-financial instruments	1,455,144	–	1,455,144
Long-term investments	–	38,001	38,001
Short-term investments	–	32,055	32,055
Bank balances and fixed deposits	152,929	–	152,929
	<b>1,608,073</b>	<b>70,056</b>	<b>1,678,129</b>

	Other financial liabilities at amortised cost S\$'000	Total S\$'000
<b>Liabilities as per balance sheet</b>		
Trade and other payables		
excluding non-financial instruments	(802,649)	(802,649)
Borrowings	(85,000)	(85,000)
	<b>(887,649)</b>	<b>(887,649)</b>

# Notes to the Financial Statements

August 31, 2015

## 31. FINANCIAL RISK MANAGEMENT (CONT'D)

### (i) Financial instruments by category (cont'd)

Company

2014

	Loans and receivables S\$'000	Financial assets at fair value through profit or loss S\$'000	Available- for-sale financial assets S\$'000	Total S\$'000
<b>Assets as per balance sheet</b>				
Trade and other receivables				
excluding non-financial instruments	1,794,435	–	–	1,794,435
Long-term investments	–	–	42,998	42,998
Short-term investments	–	–	207,536	207,536
Derivatives financial instruments	–	3	–	3
Bank balances and fixed deposits	189,271	–	–	189,271
	1,983,706	3	250,534	2,234,243

	Derivatives used for hedging S\$'000	Other financial liabilities at amortised cost S\$'000	Total S\$'000
<b>Liabilities as per balance sheet</b>			
Trade and other payables			
excluding non-financial instruments	–	(806,089)	(806,089)
Borrowings	–	(829,482)	(829,482)
Derivative financial instruments	(303)	–	(303)
	(303)	(1,635,571)	(1,635,874)

# Notes to the Financial Statements

August 31, 2015

## 32. RELATED PARTY TRANSACTIONS

### (a) Sales and purchases of goods and services

	Group	
	2015 S\$'000	2014 S\$'000
Fees paid to a firm of which a director is a member	–	260

### (b) Key management personnel compensation and transactions

Key management personnel compensation and transactions are as follows:

	Group	
	2015 S\$'000	2014 S\$'000
Remuneration and other short-term employee benefits	22,052	20,906
Employers' contribution to defined contribution plans	673	562
Share-based compensation expense	3,372	3,300
	<b>26,097</b>	24,768
Staff loans granted to key management personnel	570	430

The above includes total emoluments of the Company's directors of S\$3.9 million (2014: S\$4.3 million).

## 33. SEGMENTAL INFORMATION

### (a) Operating segments

Management has determined the operating segments based on the reports provided to the Chief Executive Officer of the Company that are used to make strategic decisions.

The Group is organised into three major operating segments, namely Media, Property, and Treasury and Investment. The Media segment is involved in the production of content for distribution on print and other media platforms. The Property segment holds, manages and develops properties of the Group. The Treasury and Investment segment manages the investment activities of the Group. Other operations under the Group, which are currently not significant to be reported separately, are included under "Others". These include the Group's businesses and investments in online classifieds, events and exhibitions and the New Media Fund.

Segment performance is evaluated based on profit/(loss) before taxation which is used as a measure of performance as management believes this is most relevant in evaluating the results of the segments.

Inter-segment pricing is determined on mutually agreed terms. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# Notes to the Financial Statements

August 31, 2015

## 33. SEGMENTAL INFORMATION (CONT'D)

### (a) Operating segments (cont'd)

Information regarding the results of each reportable segment is included in the table below.

2015

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
<b>Operating revenue</b>						
External sales	902,506	230,751	–	43,823	–	1,177,080
Inter-segmental sales	4,892	2,007	–	2,180	(9,079)	–
<b>Total operating revenue</b>	<b>907,398</b>	<b>232,758</b>	<b>–</b>	<b>46,003</b>	<b>(9,079)</b>	<b>1,177,080</b>
<b>Result</b>						
Segment result	239,400	173,352	50,397	(25,247)	–	437,902
Finance costs	(144)	(24,436)	(9,020)	(20)	–	(33,620)
Interest income	158	767	–	–	–	925
Fair value change on investment properties	–	36,258	–	–	–	36,258
Share of results of associates and joint ventures	2,066	–	–	(13,286)	–	(11,220)
<b>Profit/(Loss) before taxation</b>	<b>241,480</b>	<b>185,941</b>	<b>41,377</b>	<b>(38,553)</b>	<b>–</b>	<b>430,245</b>
Taxation						(59,823)
<b>Profit after taxation</b>						<b>370,422</b>
Non-controlling interests						(48,721)
<b>Profit attributable to Shareholders</b>						<b>321,701</b>
<b>Other information</b>						
<b>Segment assets</b>	<b>540,536</b>	<b>4,065,528</b>	<b>1,230,316</b>	<b>233,662</b>	<b>–</b>	<b>6,070,042</b>
Segment assets includes:						
Investments in associates/ joint ventures	62,839	–	–	29,330	–	92,169
Additions to:						
- property, plant and equipment	12,619	502	–	431	–	13,552
- investment properties	–	44,242	–	–	–	44,242
- intangible assets	930	–	–	34,795	–	35,725
<b>Segment liabilities</b>	<b>192,117</b>	<b>1,293,050</b>	<b>92,659</b>	<b>32,577</b>	<b>–</b>	<b>1,610,403</b>
Current income tax liabilities						62,331
Deferred income tax liabilities						50,658
<b>Consolidated total liabilities</b>						<b>1,723,392</b>
Depreciation	48,298	484	–	800	–	49,582
Amortisation of intangible assets	2,871	–	–	8,171	–	11,042
Impairment of goodwill	8,414	–	–	354	–	8,768
Impairment of intangible assets	–	–	–	301	–	301



# Notes to the Financial Statements

August 31, 2015

## 33. SEGMENTAL INFORMATION (CONT'D)

### (a) Operating segments (cont'd)

2014

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
<b>Operating revenue</b>						
External sales	963,380	204,985	–	46,819	–	1,215,184
Inter-segmental sales	6,263	1,937	–	911	(9,111)	–
<b>Total operating revenue</b>	<b>969,643</b>	<b>206,922</b>	<b>–</b>	<b>47,730</b>	<b>(9,111)</b>	<b>1,215,184</b>
<b>Result</b>						
Segment result	251,596	148,054	47,279	(15,141)	–	431,788
Finance costs	(140)	(18,066)	(16,860)	–	–	(35,066)
Interest income	111	333	–	12	–	456
Fair value change on investment properties	–	109,076	–	–	–	109,076
Share of results of associates and joint ventures	4,097	–	–	(34,823)	–	(30,726)
Gain on partial divestment of a joint venture	–	–	–	52,863	–	52,863
<b>Profit before taxation</b>	<b>255,664</b>	<b>239,397</b>	<b>30,419</b>	<b>2,911</b>	<b>–</b>	<b>528,391</b>
Taxation						(57,655)
<b>Profit after taxation</b>						<b>470,736</b>
Non-controlling interests						(66,450)
<b>Profit attributable to Shareholders</b>						<b>404,286</b>
<b>Other information</b>						
<b>Segment assets</b>	<b>600,151</b>	<b>3,997,090</b>	<b>1,913,816</b>	<b>140,339</b>	<b>–</b>	<b>6,651,396</b>
Segment assets includes:						
Investments in associates/ joint ventures	65,700	–	–	19,341	–	85,041
Additions to:						
- property, plant and equipment	17,918	366	–	640	–	18,924
- investment properties	–	78,810	–	–	–	78,810
- intangible assets	2,723	–	–	8,949	–	11,672
<b>Segment liabilities</b>	<b>199,374</b>	<b>1,311,515</b>	<b>600,629</b>	<b>36,292</b>	<b>–</b>	<b>2,147,810</b>
Current income tax liabilities						60,502
Deferred income tax liabilities						46,901
<b>Consolidated total liabilities</b>						<b>2,255,213</b>
Depreciation	52,968	385	–	979	–	54,332
Amortisation of intangible assets	2,985	–	–	6,629	–	9,614
Impairment of property, plant and equipment	9,798	–	–	–	–	9,798

# Notes to the Financial Statements

August 31, 2015

## 33. SEGMENTAL INFORMATION (CONT'D)

### (b) Geographical segments

The principal geographical area in which the Group operates is Singapore. The Group's overseas operations include publishing and distributing magazines, providing marketing and editorial services, providing online classifieds services, organising events and exhibitions, and holding investments.

	Operating revenue		Non-current assets		Total assets	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Singapore	<b>1,136,032</b>	1,170,375	<b>5,049,503</b>	4,979,011	<b>5,998,781</b>	6,592,575
Other countries	<b>41,048</b>	44,809	<b>48,573</b>	32,133	<b>71,261</b>	58,821
	<b>1,177,080</b>	1,215,184	<b>5,098,076</b>	5,011,144	<b>6,070,042</b>	6,651,396

## 34. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new standards and amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after September 1, 2015 or later periods for which the Group has not early adopted. The management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Group and of the Company.

## 35. COMPARATIVE INFORMATION

During the financial year, the Group had announced a re-organisation of its newspaper divisions including the transfer of media-related subsidiaries and associates (collectively "entities") to the newspaper business to facilitate the growth of the media adjacencies. To better reflect the segmentation of the Group's businesses, the Newspaper and Magazine segment was renamed Media segment and amounts relating to these entities were re-classified from the Others segment to the Media segment. Comparative amounts in the income statement and segmental information were re-classified for consistency, as set out below.

	Group	
	As Restated 2014 S\$'000	As Previously Disclosed 2014 S\$'000
<b>Operating revenue</b>		
Media	963,380	931,686
Others	46,819	78,513

## 36. AUTHORISATION OF FINANCIAL STATEMENTS

On October 13, 2015, the Board of Directors of Singapore Press Holdings Limited authorised these financial statements for issue.

# Operating Companies of the Group

as at August 31, 2015

## SUBSIDIARIES

Name of Subsidiary	Principal Activities	Country of Incorporation
Beerfest Asia Pte. Ltd.	Organising events, concerts and exhibitions	Singapore
Bizlink Exhibition Services Pte. Ltd.	Organising conventions, conferences and exhibitions	Singapore
Blu Inc Holdings (Malaysia) Sdn. Bhd.	Holding investments and providing management support services	Malaysia
Blu Inc Media (HK) Limited	Publishing magazines and providing editorial and other services	Hong Kong
Blu Inc Media China	Advertising and promoting the magazine publishing business	The People's Republic of China
Blu Inc Media Sdn. Bhd.	Publishing and distributing magazines and books	Malaysia
CT Point Investments Pte. Ltd.	Holding investments	Singapore
Digi Ventures Private Limited	Fund management and holding investments	Singapore
Exhibits Inc Pte. Ltd.	Organising conventions, conferences and exhibitions	Singapore
Focus Publishing Ltd	Publishing magazines and providing editorial services	Singapore
Invest Learning Pte. Ltd.	Holding investments	Singapore
Invest Media Pte. Ltd.	Holding investments	Singapore
Moon Holdings Pte. Ltd.	Holding investments	Singapore
New Beginnings Management Consulting (Shanghai) Company Limited	Business management and consultancy services	The People's Republic of China
PE One Pte. Ltd.	Holding investments	Singapore
Quotz Pte. Ltd.	Providing online system for sales of vehicles and related services	Singapore
SGCM Pte. Ltd.	Providing online classifieds services for cars	Singapore
Shareinvestor Pte Ltd	Providing online investor relations services, developing applications and operating a financial portal	Singapore
Shareinvestor.com Holdings Pte Ltd	Holding investments and providing management services	Singapore
SI Portal.com Sdn Bhd	Providing online investor relations services, developing applications and operating a financial portal	Malaysia
Sin Chew Jit Poh (Singapore) Limited	Holding investments and properties	Singapore
Singapore Press Holdings (Overseas) Limited	Providing marketing and other services and holding investments	Singapore
SPH (Americas) Pte Ltd	Providing news reporting services	Singapore

# Operating Companies of the Group

as at August 31, 2015

## SUBSIDIARIES (CONT'D)

Name of Subsidiary	Principal Activities	Country of Incorporation
SPH AlphaOne Pte. Ltd.	Holding investments	Singapore
SPH Buzz Pte. Ltd.	Franchising kiosks to third party operators	Singapore
SPH Data Services Pte Ltd	Licensing copyrights and trademarks	Singapore
SPH Digital Media Pte. Ltd.	Providing online investor relations services and holding investments	Singapore
SPH Digital Media Sdn. Bhd.	Providing sales agent services to its ultimate holding corporation	Malaysia
SPH Interactive International Pte. Ltd.	Licensing software, providing technical services and holding investments	Singapore
SPH Interactive Pte. Ltd.	Holding investments	Singapore
SPH Magazines Pte. Ltd.	Publishing magazines, providing online marketing services and editorial services and holding investments	Singapore
SPH Media Fund Pte. Ltd.	Holding investments	Singapore
SPH REIT Management Pte. Ltd.	Property fund management	Singapore
SPH Retail Property Management Services Pte. Ltd.	Managing shopping centres	Singapore
SPH Radio Private Limited	Radio broadcasting	Singapore
SPHM Pte Ltd	Publishing and distributing magazines	Singapore
Sphere Exhibits Pte. Ltd.	Organising conventions, conferences and exhibitions and holding investments	Singapore
Sphere Exhibits Malaysia Sdn. Bhd.	Management and promotion of events, exhibitions and meetings	Malaysia
Straits Times Press Pte. Ltd.	Publishing and distributing of books	Singapore
StreetSine Technology Group Pte. Ltd.	Developing E-commerce applications and software consultancy	Singapore
StreetSine Singapore Pte. Ltd.	Web search portals in providing property data and analysis and development of E-commerce applications	Singapore
Tamil Murasu Limited	Publishing newspapers	Singapore
The Straits Times Press (1975) Limited	Holding investments	Singapore
TPR Holdings Pte. Ltd.	Holding investments	Singapore
Waterbrooks Consultants Pte. Ltd	Providing public relations and consultancy services	Singapore

# Operating Companies of the Group

as at August 31, 2015

## ASSOCIATES

Name of Associate	Principal Activities	Country of Incorporation
The Chope Group Pte. Ltd.	Providing service automation technology and online reservations portal	Singapore
Conversion Hub Marketing Pte. Ltd.	Providing social media advertising	Singapore
Hardwarezone Philippines Corporation	Publishing, advertising and providing online services	Philippines
Kyosei Ventures Pte. Ltd.	Providing online marketing and technology services	Singapore
Magzter Inc.	Self-service digital magazine store and newsstand	United States
MediaCorp Press Ltd	Production and distribution of newspapers	Singapore
MediaCorp TV Holdings Pte. Ltd.	Provision and marketing of television broadcasting services, production and distribution of television programmes and music albums	Singapore
MindChamps Preschool (Worldwide) Pte. Limited	Operating and franchising of early childhood curriculum and enrichment programmes and related investment holdings	Singapore
SI.com (Thailand) Co. Ltd	Providing online investor relations services, developing applications and operating a financial portal	Thailand

## JOINT VENTURES

Name of Joint Venture	Principal Activities	Country of Incorporation
701Search Pte. Ltd.	Online businesses	Singapore
701 Ventures Pte. Ltd.	Providing online classifieds services	Singapore
702Search (Thailand) B.V.	Investment holding and other activities	The Netherlands
703Search (Indonesia) B.V.	Investment holding and other activities	The Netherlands
Cho Tot Company Limited	Providing online classifieds services	Vietnam
Mudah.my Sdn. Bhd.	Providing online classifieds services	Malaysia
SPH Plug and Play Pte. Ltd.	Holding investments	Singapore

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As at 26 October 2015

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# Properties of the Group

As at 31 August 2015

Location	Tenure	Expiry Date of Lease	Land (Sq M)	Built-In (Sq M)	Existing Use	Effective Group Interest (%)
<b>SINGAPORE</b>						
<b>Media Centre</b> 82 Genting Lane	Leasehold	July 15, 2040	24,892	49,131	Industrial	100
<b>Print Centre</b> 2 Jurong Port Road	Leasehold	June 8, 2034	110,075	102,152	Industrial	100
<b>News Centre</b> 1000 Toa Payoh North	Leasehold	March 2, 2031	21,730	54,296	Industrial	100
<b>Manhattan House</b> 151 Chin Swee Road Units #01-39 to #01-48 and #01-51 to #01-56	Leasehold	October 15, 2068	-	554	Commercial	100
<b>20A Yarwood Avenue</b>	Leasehold	May 6, 2878	1,721	488	Residential	100
<b>42 Nassim Road</b>	Freehold	-	1,406	686	Residential	100
<b>42A Nassim Road</b>	Freehold	-	1,444	645	Residential	100
<b>42B Nassim Road</b>	Freehold	-	1,418	645	Residential	100
<b>Paragon</b> 290 Orchard Road	Freehold	-	17,355	94,307	Commercial	70
<b>The Clementi Mall</b> 3155 Commonwealth Avenue West	Leasehold	August 31, 2109	-	26,976	Commercial	70
<b>The Seletar Mall</b> 33 Sengkang West Avenue	Leasehold	April 17, 2111	8,790	26,370	Commercial	70
<b>MALAYSIA</b>						
<b>Awana Condominium</b> Unit 3544 Genting Highlands (Divestment in progress)	Freehold	-	-	117	Residential	100
<b>HONGKONG</b>						
<b>Tower Two, Lippo Centre</b> Unit 1308 13th Floor 89 Queensway, Hong Kong	Leasehold	February 14, 2059	-	368	Commercial	100
<b>CHINA</b>						
<b>New Beginnings</b> Room 1302, Block A, No. 868 East Longhua Road, Shanghai 200023, PRC	Leasehold	February 17, 2058	170	111	Commercial	100
<b>Blu Inc Media China</b> Unit 1902-1905, No. 425, Yishan Road, Xuhui District, Shanghai	Leasehold	August 27, 2054	647	461	Commercial	100

# Shareholding Statistics

As at 6 October 2015

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%*
1 - 99	246	0.42	8,619	0.00
100 - 1,000	8,709	14.95	7,993,169	0.50
1,001 - 10,000	36,905	63.33	168,825,050	10.57
10,001 - 1,000,000	12,324	21.15	568,720,599	35.60
1,000,001 and above	86	0.15	851,795,514	53.33
<b>TOTAL</b>	<b>58,270</b>	<b>100.00</b>	<b>1,597,342,951</b>	<b>100.00</b>

\* Shareholdings exclude 3,306,170 treasury shares.

## TWENTY LARGEST ORDINARY SHAREHOLDERS

	Name of Shareholder	No. of Shares	%*
1	CITIBANK NOMINEES SINGAPORE PTE LTD	200,034,258	12.52
2	DBS NOMINEES PTE LTD	163,662,876	10.25
3	HSBC (SINGAPORE) NOMINEES PTE LTD	79,211,898	4.96
4	DBSN SERVICES PTE LTD	47,158,681	2.95
5	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	39,803,437	2.49
6	RAFFLES NOMINEES (PTE) LTD	36,534,344	2.29
7	BANK OF SINGAPORE NOMINEES PTE LTD	25,401,678	1.59
8	UOB KAY HIAN PTE LTD	17,921,141	1.12
9	LEE FOUNDATION STATES OF MALAYA	15,215,522	0.95
10	BNP PARIBAS SECURITIES SERVICES PTE LTD	13,262,231	0.83
11	LEE PINEAPPLE COMPANY PTE LTD	12,750,000	0.80
12	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	11,103,610	0.70
13	LEUNG KAI FOOK MEDICAL COMPANY PTE LTD	10,425,350	0.65
14	CHAN SIEW KIM ALICE	10,355,000	0.65
15	PHAY THONG HUAT PTE LTD	9,782,000	0.61
16	LEE FOUNDATION	8,210,940	0.51
17	NANYANG PRESS (SINGAPORE) LIMITED	7,973,824	0.50
18	DB NOMINEES (SINGAPORE) PTE LTD	7,301,087	0.46
19	YONG YING-I	6,900,000	0.43
20	TAN TIANG HIN JERRY	5,303,675	0.33
	<b>TOTAL</b>	<b>728,311,552</b>	<b>45.59</b>

\* Shareholdings exclude 3,306,170 treasury shares.

# Shareholding Statistics

As at 6 October 2015

## DISTRIBUTION OF MANAGEMENT SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	10	52.63	48	0.00
100 - 1,000	0	0.00	0	0.00
1,001 - 10,000	0	0.00	0	0.00
10,001 - 1,000,000	3	15.79	2,193,317	13.41
1,000,001 and above	6	31.58	14,168,404	86.59
<b>TOTAL</b>	<b>19</b>	<b>100.00</b>	<b>16,361,769</b>	<b>100.00</b>

## HOLDERS OF MANAGEMENT SHARES

Name of Shareholder	No. of Shares	%
1 THE GREAT EASTERN LIFE ASSURANCE CO LTD	3,698,297	22.60
2 OVERSEA-CHINESE BANKING CORPORATION LTD	2,748,829	16.80
3 NTUC INCOME INSURANCE COOPERATIVE LIMITED	2,674,219	16.35
4 SINGAPORE TELECOMMUNICATIONS LIMITED	2,176,119	13.30
5 DBS BANK LTD	1,554,362	9.50
6 UNITED OVERSEAS BANK LTD	1,316,578	8.05
7 NATIONAL UNIVERSITY OF SINGAPORE	876,797	5.36
8 FULLERTON (PRIVATE) LIMITED	658,260	4.02
9 NANYANG TECHNOLOGICAL UNIVERSITY	658,260	4.02
10 CHIEF EXECUTIVE OFFICE	12	0.00
11 DIRECTORS* (FOUR EACH)	36	0.00
<b>TOTAL</b>	<b>16,361,769</b>	<b>100.00</b>

\* Excluding the Chief Executive Officer

Not less than 99.9% of the ordinary shares in the Company is held by the public and Rule 723 of the SGX Listing Manual has been complied with.

## VOTING RIGHTS OF SHAREHOLDERS

The holders of management and ordinary shares shall be entitled to one (1) vote for each share, EXCEPT that on any resolution relating to the appointment or dismissal of a director or any member of the staff of the Company, the holders of the management shares shall be entitled either on a poll or by show of hands to two hundred (200) votes for each management share held.

# Notice of Annual General Meeting

## Singapore Press Holdings Limited

(Incorporated in the Republic of Singapore) Co Reg No. 198402868E

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting of Singapore Press Holdings Limited (the “**Company**”) will be held at the Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994 on Tuesday, December 1, 2015 at 10.30 a.m. for the following business:

### ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended August 31, 2015 and the Auditors’ Report thereon.
2. To declare a final dividend of 8 cents per share and a special dividend of 5 cents per share, on a tax-exempt basis, in respect of the financial year ended August 31, 2015.
3. To re-elect the following Directors who are retiring by rotation in accordance with Articles 111 and 112 of the Company’s Articles of Association, and who, being eligible, offer themselves for re-election:
  - (i) Bahren Shaari
  - (ii) Tan Yen Yen
  - (iii) Ng Ser Miang
  - (iv) Quek See Tiat
4. To approve Directors’ fees of up to S\$1,450,000 for the financial year ending August 31, 2016 (2015: up to S\$1,450,000).
5. To appoint Auditors and to authorise the Directors to fix their remuneration.
6. To transact any other business of an Annual General Meeting.

### SPECIAL BUSINESS

7. To consider and, if thought fit, to pass, with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:
  - (i) “That pursuant to Section 161 of the Companies Act, Chapter 50 (the “**Companies Act**”) and the listing rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), and subject to the provisions of the Newspaper and Printing Presses Act, Chapter 206, authority be and is hereby given to the Directors of the Company to:
    - (a) (i) issue shares in the capital of the Company 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 that 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 is in force,

# Notice of Annual General Meeting

## Singapore Press Holdings Limited

(Incorporated in the Republic of Singapore) Co Reg No. 198402868E

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 (excluding treasury shares) in the 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 10 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
  - (2) (subject to such manner of calculation and adjustments 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 (excluding treasury shares) in the 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 bonus issue, 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.”
- (ii) “That approval be and is hereby given to the Directors of the Company to grant awards in accordance with the provisions of the SPH Performance Share Plan (the “**SPH Performance Share Plan**”) and to allot and issue such number of ordinary shares in the capital of the Company (“**Ordinary Shares**”) as may be required to be delivered pursuant to the vesting of awards under the SPH Performance Share Plan, 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 Singapore Press Holdings Group (1999) Share Option Scheme and the SPH Performance Share Plan, shall not exceed 5 per cent. of the total number of issued Ordinary Shares (excluding treasury shares) from time to time.”
- (iii) “That:
- (a) for the purposes of Sections 76C and 76E of 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 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 SGX-ST; 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**”);

# Notice of Annual General Meeting

## Singapore Press Holdings Limited

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- (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 earliest of:
- (i) the date on which the next Annual General Meeting of the Company is held;
  - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and
  - (iii) the date on which purchases or acquisitions of Ordinary Shares pursuant to the Share Buy Back Mandate are carried out to the full extent mandated;
- (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;
- “**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 the off-market purchase;
- “**Maximum Limit**” means that number of issued Ordinary Shares representing 10 per cent. 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); and
- “**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 per cent. of the Average Closing Price of the Ordinary Share; 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.”

By Order of the Board

**Ginney Lim May Ling**  
**Khor Siew Kim**  
Company Secretaries

Singapore,  
October 30, 2015

# Notice of Annual General Meeting

## Singapore Press Holdings Limited

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### Notes:

A Member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote in his stead and the proxy need not be a Member of the Company. The instrument appointing the proxy must be lodged at the Company's Share Registration Office, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898 not less than 48 hours before the time fixed for the 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 & STATEMENT PURSUANT TO ARTICLE 72 OF THE COMPANY'S ARTICLES OF ASSOCIATION

1. In relation to Ordinary Resolution No. 3(i):  
Bahren Shaari\* will, upon re-election, continue as Chairman of the Audit Committee and a member of the Executive Committee. He is considered an independent Director. There are no relationships (including immediate family relationships) between Mr Bahren and the other Directors or the Company.
2. In relation to Ordinary Resolution No. 3(ii):  
Tan Yen Yen\* will, upon re-election, continue as a member of the Remuneration Committee and the Board Risk Committee. She is considered an independent Director. There are no relationships (including immediate family relationships) between Ms Tan and the other Directors or the Company.
3. In relation to Ordinary Resolution No. 3(iii):  
Ng Ser Miang\* will, upon re-election, continue as Chairman of the Nominating Committee. He is considered an independent Director. There are no relationships (including immediate family relationships) between Mr Ng and the other Directors or the Company.
4. In relation to Ordinary Resolution No. 3(iv):  
Quek See Tiat\* will, upon re-election, continue as Chairman of the Board Risk Committee and a member of the Executive Committee and Audit Committee. He is considered an independent Director. There are no relationships (including immediate family relationships) between Mr Quek and the other Directors or the Company.
5. Ordinary Resolution No. 4, if passed, will facilitate the payment of Directors' fees during the financial year in which the fees are incurred, that is, during the financial year from September 1, 2015 to August 31, 2016. The amount of Directors' fees is computed based on the anticipated number of Board and Board Committee meetings, assuming full attendance by all the Directors. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of an additional Director, additional unscheduled Board meetings and for the formation of additional Board Committees.

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## Singapore Press Holdings Limited

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6. The effects of the resolutions under the heading “Special Business” in the Notice of the Thirty-First Annual General Meeting are:

- (a) Ordinary Resolution No. 7(i) is to authorise the Directors of the Company from the date of that meeting until the next Annual General Meeting, subject to the provisions of the Newspaper and Printing Presses Act, Chapter 206, to issue shares in the capital of the Company and/or 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 in total 50 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 10 per cent. of the total number of issued shares (excluding treasury shares) in the capital of the Company 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 Ordinary Resolution No. 7(i) 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 that Ordinary Resolution No. 7(i) is passed, and (ii) any subsequent bonus issue, consolidation or subdivision of shares. For the avoidance of doubt, any consolidation or subdivision of shares in the capital of the Company will require shareholders’ approval.
- (b) Ordinary Resolution No. 7(ii) is to empower the Directors to offer and grant awards, and to allot and issue new ordinary shares in the capital of the Company, pursuant to the SPH Performance Share Plan (which was approved by shareholders at the Extraordinary General Meeting held on 5 December 2006), provided that the aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with the existing ordinary shares (including ordinary shares held in treasury) delivered and/or to be delivered, pursuant to the Singapore Press Holdings Group (1999) Share Option Scheme and the SPH Performance Share Plan, shall not exceed 5 per cent. of the total number of issued ordinary shares in the capital of the Company (excluding ordinary shares held in treasury) from time to time. Although the Rules of the SPH Performance Share Plan provide for a higher limit of 10 per cent. for new shares which may be issued under the Singapore Press Holdings Group (1999) Share Option Scheme and the SPH Performance Share Plan, Ordinary Resolution 7(ii) provides for a lower limit of 5 per cent., as the Company does not anticipate that it will require a higher limit before the next Annual General Meeting.
- (c) Ordinary Resolution No. 7(iii) is to renew the mandate to permit the Company to purchase or acquire issued ordinary shares in the capital of the Company on the terms and subject to the conditions of the Resolution.

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 funding 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 Company and the Group for the financial year ended August 31, 2015, based on certain assumptions, are set out in paragraph 2.6 of the Letter to Shareholders dated October 30, 2015, which is enclosed together with the Summary Financial Report.

\* Details of the Director’s current directorships in other listed companies and other principal commitments are set out on pages 26 to 29 of the Annual Report.



# Proxy Form

**Singapore Press Holdings Limited**  
(Incorporated in the Republic of Singapore)  
Co Reg No. 198402868E

## IMPORTANT

1. For investors who have used their CPF monies to buy shares of Singapore Press Holdings Limited, the Annual Report 2015 is forwarded to them FOR INFORMATION ONLY.
2. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as observers must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

## Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the accompanying Notice of Annual General Meeting.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No.)

of \_\_\_\_\_ (Address)

being a member/members of the above named Company, hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

--	--	--	--

or failing him/her, or if no person is named above, the Chairman of the Annual General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994 on December 1, 2015 at 10.30 a.m. and at any adjournment thereof.

(Voting will be conducted by poll. If you wish to vote all your shares "For" or "Against" the relevant resolution, please indicate with an "X" in the relevant box provided below. Alternatively, if you wish to vote some of your shares "For" and some of your shares "Against" the relevant resolution, please insert the relevant number of shares (and, if you hold both ordinary shares and management shares, the relevant class of shares) in the relevant boxes provided below. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.)

No.	Ordinary Resolutions	No. of votes For	No. of votes Against
	<b>Ordinary Business</b>		
1.	To adopt Directors' Statement and Audited Financial Statements and Auditors' Report thereon		
2.	To declare a Final Dividend and a Special Dividend		
3.	To re-elect Directors pursuant to Articles 111 and 112		
	(i) Bahren Shaari		
	(ii) Tan Yen Yen		
	(iii) Ng Ser Miang		
	(iv) Quek See Tiat		
4.	To approve Directors' fees for the financial year ending August 31, 2016		
5.	To appoint Auditors and authorise Directors to fix their remuneration		
6.	To transact any other business		
	<b>Special Business</b>		
7.	(i) To approve the Ordinary Resolution pursuant to Section 161 of the Companies Act, Cap. 50		
	(ii) To authorise Directors to grant awards and to allot and issue shares in accordance with the provisions of the SPH Performance Share Plan		
	(iii) To approve the renewal of the Share Buy Back Mandate		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015

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

**IMPORTANT: PLEASE READ NOTES ON THE REVERSE**

Total Number of Ordinary Shares held	
Total Number of Management Shares held	



# Proxy Form

**Singapore Press Holdings Limited**

(Incorporated in the Republic of Singapore)

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## IMPORTANT

### Note:

1. Please insert the total number of ordinary shares and/or management shares ("Shares") held by you. If you have ordinary shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of ordinary shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have ordinary shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. In the case of a joint appointment of two proxies, the Chairman of the Annual General Meeting will be a Member's proxy by default if either or both of the proxies appointed does/do not attend the Annual General Meeting. In the case of an appointment of two proxies in the alternative, the Chairman of the Annual General Meeting will be a Member's proxy by default if both the proxies appointed do not attend the Annual General Meeting.
3. A Member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a Member of the Company.
4. Where a Member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
5. The instrument appointing a proxy or proxies must be deposited at the Share Registration Office of the Company at Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time appointed for the Annual General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
7. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of ordinary shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Member, being the appointor, is not shown to have ordinary shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

**This annual report was produced by the  
Corporate Communications & CSR Division**

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**SINGAPORE PRESS HOLDINGS LIMITED**

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