



**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 24th Annual General Meeting of SIA Engineering Company Limited (**"the Company"**) will be held at The Ballroom (Level 3), Raffles Hotel, 1 Beach Road, Singapore 189673, on Friday, 21 July 2006 at 2.30 p.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive and adopt the Directors' Report and Audited Accounts of the Company for the year ended 31 March 2006 and the Auditors' Report thereon.
2. To declare an ordinary dividend of 6.0 cents per share, tax exempt (one-tier) for the year ended 31 March 2006.
3. To declare a special dividend of 20.0 cents per share, tax exempt (one-tier) for the year ended 31 March 2006.
4. To re-elect the following Directors, each of whom will retire by rotation pursuant to Article 83 of the Company's Articles of Association and who being eligible, offer themselves for re-election pursuant to Article 84 of the Company's Articles of Association:
  - 4.1 Lt Gen (Ret) Bey Soo Khiang
  - 4.2 Dr Thio Su Mien
5. To re-elect the following Directors, each of whom will retire pursuant to Article 90 of the Company's Articles of Association and who being eligible, offer themselves for re-election as Directors:
  - 5.1 Mr Stephen Lee Ching Yen
  - 5.2 Mr Koh Kheng Siong
6. To re-appoint Messrs Ernst & Young as auditors of the Company to hold office until the next Annual General Meeting and to authorise the Directors to fix their remuneration.
7. To approve the payment of Directors' Fees of \$542,404.00 (FY2004/2005: \$569,702.00) for the year ended 31 March 2006.

**SPECIAL BUSINESS**

8. To consider and, if thought fit, to pass the following resolutions as ordinary resolutions with or without any modifications:
  - 8.1 That pursuant to Section 161 of the Companies Act, Cap 50, authority be and is hereby given to the Directors of the Company to:
    - (a) (i) issue shares in the capital of the Company (**"shares"**) whether by way of rights, bonus or otherwise; and/or
    - (ii) make or grant offers, agreements or options (collectively, **"Instruments"**) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
    - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,
 provided that:
    - (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent. of the issued 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 issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
    - (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (**"SGX-ST"**)) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the number of issued 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 employee share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
      - (ii) any subsequent consolidation or subdivision of shares;
    - (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
    - (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
  - 8.2 That the Directors be and are hereby authorised to:
    - (a) offer and grant options in accordance with the provisions of the SIAEC Employee Share Option Plan (**"Share Option Plan"**) and/or to grant awards in accordance with the provisions of the SIAEC Performance Share Plan (**"Performance Share Plan"**) and/or the SIAEC Restricted Share Plan (**"Restricted Share Plan"**) (the Share Option Plan, the Performance Share Plan and the Restricted Share Plan, together the **"Share Plans"**); and
    - (b) allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Share Option Plan and/or such number of fully paid shares as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan and/or the Restricted Share Plan,
 provided always that the aggregate number of ordinary shares to be issued pursuant to the Share Plans shall not exceed 15 per cent. of the total number of issued ordinary shares in the capital of the Company from time to time.
9. To transact any other business of the Company which may arise and can be transacted at an Annual General Meeting.

**CLOSURE OF BOOKS**

**NOTICE IS HEREBY GIVEN** that, subject to approval of shareholders being obtained at the 24th Annual General Meeting of the Company for the declaration of the proposed dividends, registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 138 Robinson Road #17-00, The Corporate Office, Singapore 068906, up to 5.00 p.m. on 27 July 2006 will be registered to determine shareholders' entitlement to the proposed dividends (depositors whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 27 July 2006 will be entitled to the proposed dividends), and thereafter the Share Transfer Books and Register of Members of the Company will be closed on 28 July 2006 to determine shareholders' entitlements to the proposed dividends which will be paid on 8 August 2006.

BY ORDER OF THE BOARD

**DEVIKA RANI DAVAR**

Company Secretary  
12 June 2006  
Singapore

**Explanatory Notes:**

1. In relation to Ordinary Resolution No. 4.1, Lt Gen (Ret) Bey Soo Khiang, a non-independent Director, will upon re-election, continue to serve as a member of the Board Committee.
2. In relation to Ordinary Resolution No. 4.2, Dr Thio Su Mien, an independent Director, will upon re-election, continue to serve as a member of the Audit Committee and an alternate member of the Board Committee.
3. In relation to Ordinary Resolution No. 5.1, Mr Stephen Lee Ching Yen, a non-independent Director, will upon re-election, continue to serve as Chairman of the Board.
4. In relation to Ordinary Resolution No. 5.2, Mr Koh Kheng Siong, an independent Director, will upon re-election, continue to serve as a member of the Audit Committee.
5. Ordinary Resolution No. 7 is to approve the payment of Directors' Fees of \$542,404.00 (FY2004/2005: \$569,702.00) for the year ended 31 March 2006, for services rendered by Directors on the Board as well as on the various Board Committees.

The Directors will be paid a basic annual fee and will get an additional annual allowance for their services in each of the Board Committees. The proposed fees for services on the Board, Audit Committee, Board Committee and other Board Committees are shown below:

		Fees per annum (\$)	
<b>Board of Directors</b>	Member's Fees ("Basic Fee")	1 X Basic Fee	= \$40,000
	Chairman's Allowance	0.625 X Basic Fee	= \$25,000
	Deputy Chairman's Allowance	0.5 X Basic Fee	= \$20,000
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<b>Audit Committee</b>	Member's Allowance	0.30 X Basic Fee	= \$12,000
	Chairman's Allowance	0.60 X Basic Fee	= \$24,000
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<b>Board Committee</b>	Member's Allowance	0.20 X Basic Fee	= \$8,000
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<b>Other Board Committees</b>	Member's Allowance	0.20 X Basic Fee	= \$8,000
	Chairman's Allowance	0.30 X Basic Fee	= \$12,000

6. Ordinary Resolution No. 8.1, if passed, will empower Directors to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, from the date of the above meeting until the date of the next Annual General Meeting. The number of shares which the Directors may issue under this Resolution will not exceed 50 per cent. of the issued shares in the capital of the Company with a sub-limit of 10 per cent. for issues other than on a pro rata basis. The 10 per cent. sub-limit for non-pro rata issues is lower than the 20 per cent. sub-limit allowed under the Listing Manual of the SGX-ST and the Articles of Association of the Company. For the purpose of determining the aggregate number of shares which may be issued, the percentage of shares shall be based on the number of issued shares in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible instruments or share options or vesting of share awards which are outstanding at the time this Ordinary Resolution is passed and (b) any subsequent consolidation or subdivision of shares.
7. Ordinary Resolution No. 8.2 if passed, will empower the Directors to offer and grant options and/or awards and to allot and issue ordinary shares in the capital of the Company pursuant to the SIAEC Employee Share Option Plan, the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan. The modified SIAEC Employee Share Option Plan was adopted at the Extraordinary General Meeting of the Company held on 7 July 2001 and further modified at the Extraordinary General Meetings of the Company held on 12 July 2003 and 26 July 2004 respectively. The SIAEC Performance Share Plan and the SIAEC Restricted Share Plan were adopted at the Extraordinary General Meeting of the Company held on 25 July 2005.

**Notes:**

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at Robinson Road Post Office, P.O. Box 314, Singapore 900614 not less than 48 hours before the time appointed for the Annual General Meeting.