



华业集团有限公司
UOL GROUP LIMITED
Summary Financial Report 2006



CONTENTS

03	Corporate Data
04	Group Structure
06	Chairman's Statement
09	Board of Directors
12	Key Management Executives
13	Summary Financial Statements
	Report of the Directors
20	Independent Auditors' Report
22	Income Statements
23	Balance Sheets
25	Consolidated Statement of Changes in Equity
26	Statement of Changes in Equity
27	Consolidated Cash Flow Statement
31	Notes to the Summary Financial Statements
35	Shareholding Statistics
37	Notice of Annual General Meeting
	Proxy Form
	Request Form

CORPORATE DATA

BOARD OF DIRECTORS

Wee Cho Yaw
Chairman

Gwee Lian Kheng
President & CEO

Alan Choe Fook Cheong

Lim Kee Ming

Wong Yuen Weng Ernest
(Resigned on 12 March 2007)

Wee Ee Chao
(Appointed on 9 May 2006)

James Koh Cher Siang

Low Weng Keong

Wee Ee Lim
(Appointed on 9 May 2006)

EXECUTIVE COMMITTEE

Wee Cho Yaw
Chairman

Gwee Lian Kheng

Alan Choe Fook Cheong

Wee Ee Chao
(Appointed on 15 February 2007)

AUDIT COMMITTEE

Lim Kee Ming
Chairman

Alan Choe Fook Cheong

Wong Yuen Weng Ernest
(Resigned on 12 March 2007)

NOMINATING COMMITTEE

Alan Choe Fook Cheong
Chairman

Wee Cho Yaw

Lim Kee Ming

REMUNERATION COMMITTEE

Lim Kee Ming
(Appointed as Chairman on 1 February 2007)

Wee Cho Yaw

Alan Choe Fook Cheong

MANAGEMENT

Gwee Lian Kheng
President & CEO

Gn Hiang Meng
Deputy President (Hotels & Finance)

Liam Wee Sin
Chief Operating Officer

Foo Thiam Fong Wellington
Chief Financial Officer

Kam Tin Seah
General Manager (Investments)

Kwan Weng Foon
General Manager (Development)

Lee Choon Kok
General Manager (Engineering & Maintenance)

Lian Ah Cheok Dolly
General Manager (Marketing)

Chin Ee Chen Jistine
General Manager (Furniture Division)

Yeong Sien Seu
Legal Manager

Lim Chong Koon
Group Human Resource Manager

Yeo Bin Hong
Senior Manager (Internal Audit)

COMPANY SECRETARY

Foo Thiam Fong Wellington

DEPUTY SECRETARY

Yeong Sien Seu

AUDITORS

PricewaterhouseCoopers
8 Cross Street
#17-00 PWC Building
Singapore 048424
Partner-in-charge:
Ms Tan Khiaw Ngoh
Year of appointment: 2005

PRINCIPAL BANKERS

United Overseas Bank Limited

DBS Bank Ltd

The Bank of Tokyo-Mitsubishi
UFJ, Ltd.

Sumitomo Mitsui
Banking Corporation

CIMB Bank Berhad

Public Bank Berhad

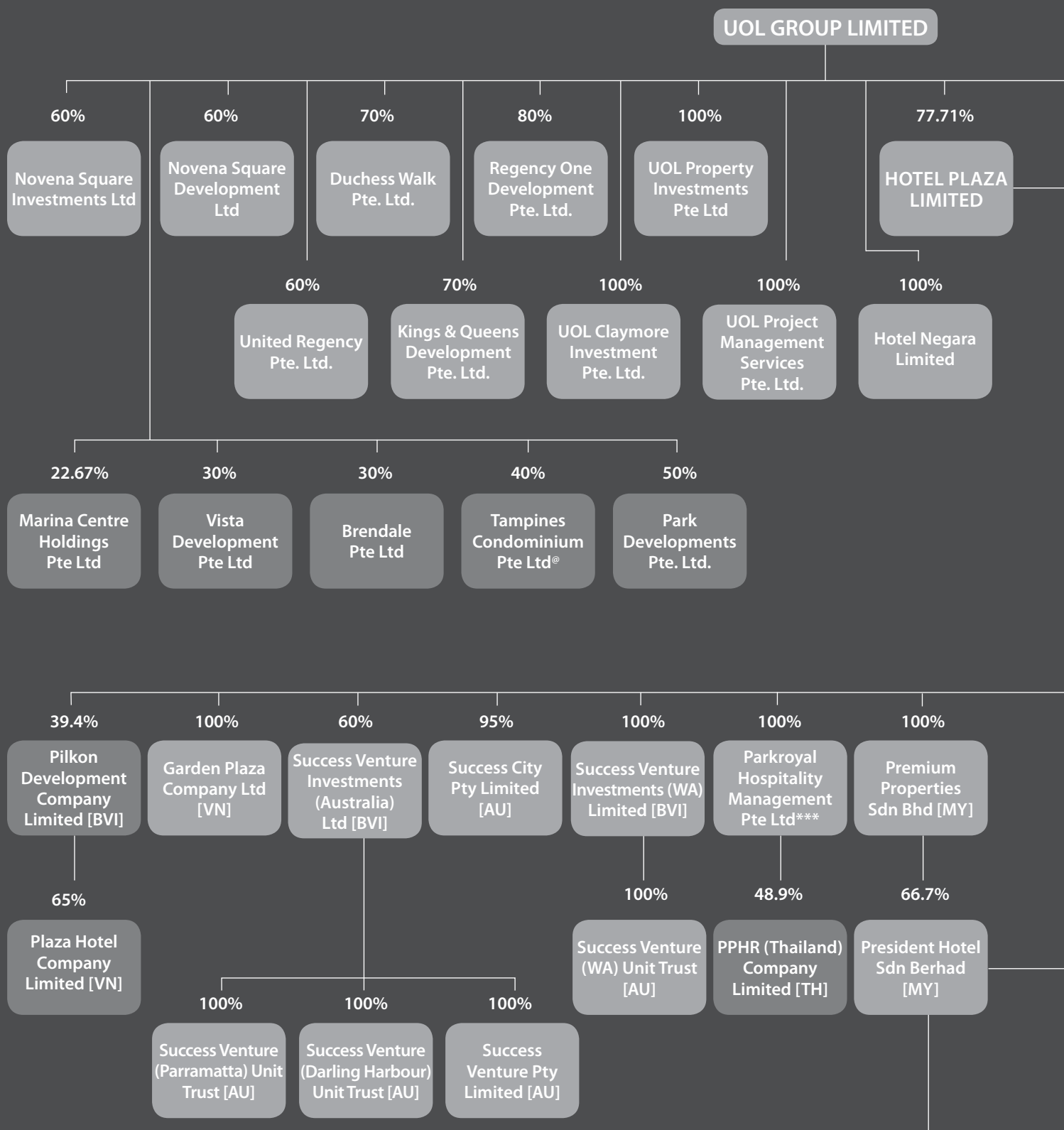
REGISTERED OFFICE

101 Thomson Road
#33-00 United Square
Singapore 307591
Telephone : 6255 0233
Facsimile : 6252 9822
Website : www.uol.com.sg

SHARE REGISTRAR

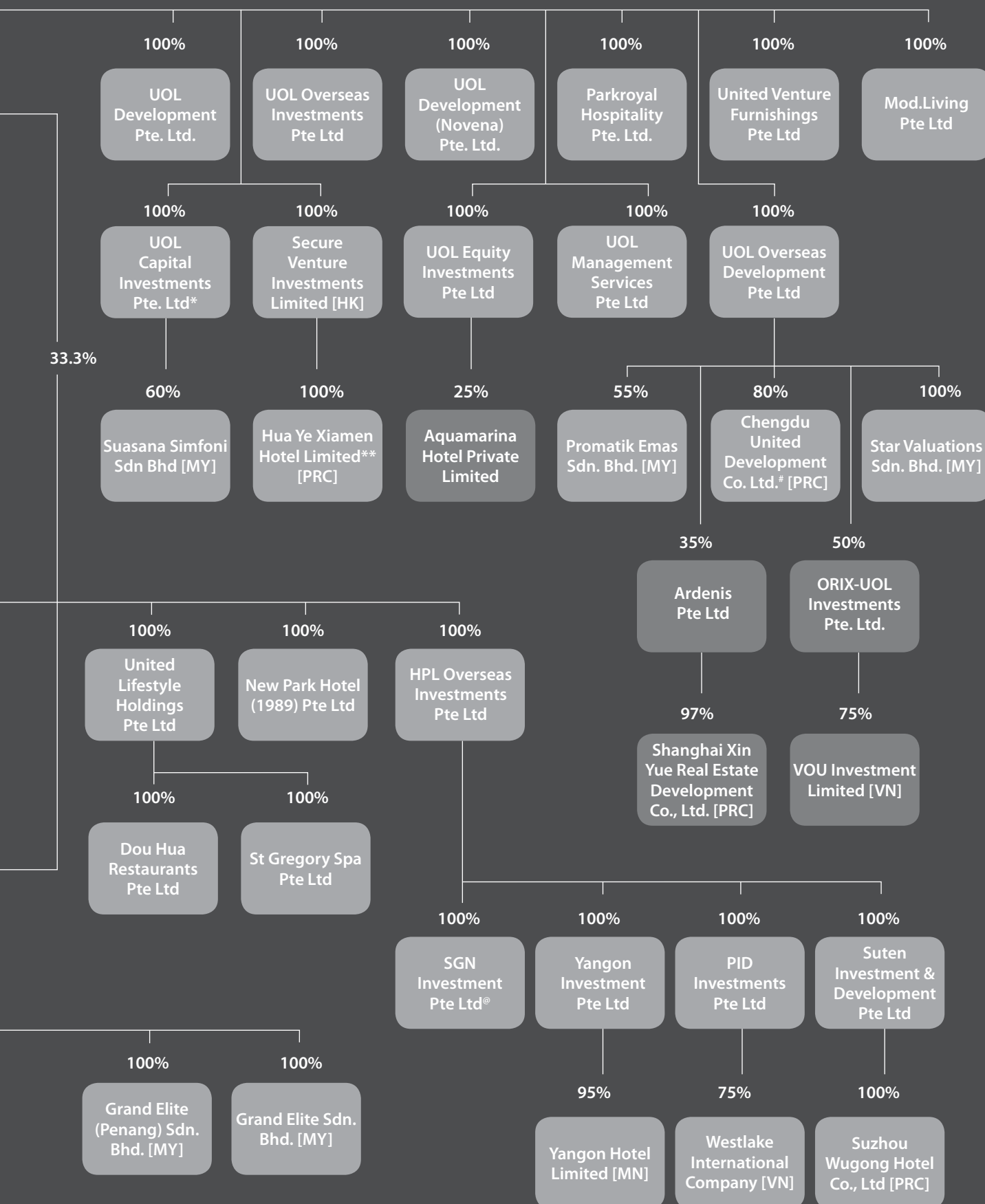
Lim Associates (Pte) Ltd
3 Church Street
#08-01 Samsung Hub
Singapore 049483
Telephone : 6536 5355
Facsimile : 6536 1360

GROUP STRUCTURE As at 28 February 2007



■ Associated Companies
* Previously known as UOL Tiong Bahru Plaza Pte Ltd
** Previously known as Dahua Xiamen Development Limited
*** Previously known as Plaza Pacific Hotels and Resorts International Pte Ltd
@ Under voluntary liquidation
In the process of deregistration

Notes:
[AU] : Incorporated in Australia
[BVI] : Incorporated in The British Virgin Islands
[HK] : Incorporated in Hong Kong
[MY] : Incorporated in Malaysia
[MN] : Incorporated in Myanmar
[PRC] : Incorporated in The People's Republic of China
[TH] : Incorporated in Thailand
[VN] : Incorporated in Vietnam



CHAIRMAN'S STATEMENT



2006 REVIEW

Singapore

Singapore's gross domestic product grew by 7.9% in 2006 compared to 6.6% for 2005. Prices of private residential properties increased by 10.2% in 2006 compared to an increase of 3.9% in 2005. More than 11,000 new homes were sold in 2006 compared to almost 9,000 units in 2005. Driven by strong demand and limited supply, rentals of offices surged by 30.3% as compared with a rise of 12.7% in 2005 while rentals for retail space grew by 5.6% in 2006.

Singapore received a record 9.7 million tourists in 2006 compared to 8.9 million in 2005. Average occupancy for the hotel industry in Singapore increased by 1.4 percentage points to 85% while average room rate increased sharply by 19.6% to S\$164. The Group's hotels in Singapore benefited from the increased visitor arrivals and achieved above average growth in room rates.

Overseas

Outside Singapore, the Group's hotels in Malaysia and Vietnam continued to benefit from improvements in average room rates and occupancy. Our hotels in Sydney and Perth, Australia achieved higher average room rates while Sofitel Plaza Xiamen in China managed to break-even in its first full year of operations. Notwithstanding increasing competition with the opening of new hotels, Sheraton Suzhou in China managed to maintain its revenue per available room. Performance of the Parkroyal Yangon remains a challenge given the continued difficult operating conditions.

2006 PERFORMANCE & DIVIDEND

The Group recorded a pre-tax profit of S\$406.8 million in 2006, representing an increase of 171.5% over the pre-tax profit of S\$149.8 million in 2005. Included in the 2006 results is the exceptional pre-tax profit of S\$146.1 million from the sale of 65,700,002 shares in Clifford Development Pte Ltd ("Clifford") and the profit of S\$86.7 million from the sale of Hotel Plaza Limited's ("Hotel Plaza") 100%-owned subsidiary Hotel Grand Plaza (Singapore) Pte Ltd ("HGP"). Excluding the exceptional items, the Group's pre-tax profit in 2006 was S\$158.6 million representing a 6.2% increase over the comparable pre-tax profit of S\$149.3 million in 2005.

Based on the latest independent valuation of the Group's investment properties by professional valuers, the Group's Asset Revaluation Reserve increased from S\$234.6 million at end 2005 to S\$429.8 million at end 2006. Reflecting higher share prices, the Group's Fair Value Reserve increased from S\$356.5 million at end 2005 to S\$626.3 million at end 2006. As a result, the shareholders' funds of the Group increased from S\$2.36 billion to S\$3.16 billion. Consequently, the net tangible asset per ordinary share of the Group increased from S\$2.96 as at 31 December 2005 to S\$3.95 as at 31 December 2006. The Group's debt equity ratio increased marginally to 22% at 31 December 2006 from 21% as at 31 December 2005.

In view of the creditable performance, the Board recommends a first and final one-tier dividend of 7.5 cents per share and a special one-tier dividend of 7.5 cents per share making a total dividend of 15.0 cents per share (2005: a first and final one-tier dividend of 7.5 cents per share). Total dividend payout will amount to S\$119.2 million (2005: S\$59.5 million) for the year ended 31 December 2006.

"The Group recorded a pre-tax profit of S\$406.8 million in 2006, representing an increase of 171.5% over the pre-tax profit of S\$149.8 million in 2005. Included in the 2006 results is the exceptional pre-tax profit of S\$146.1 million from the sale of 65,700,002 shares in Clifford Development Pte Ltd ("Clifford") and the profit of S\$86.7 million from the sale of Hotel Plaza Limited's ("Hotel Plaza") 100%-owned subsidiary Hotel Grand Plaza (Singapore) Pte Ltd ("HGP")."

CORPORATE DEVELOPMENTS

2006 Development Projects

During the year, the Group launched the sales of Southbank (a mixed development comprising a total of 273 residential, SOHO and retail units at North Bridge Road) and The Regency at Tiong Bahru (a residential development with 158 units at Chay Yan Street). Response was good and all the units in these two projects have been sold. Similarly, all 562 units at Amber Gardens in which the Group has a 30% equity interest have been fully sold. During the year, the Group also sold the remaining units of the 104-unit Regency Suites development at Kim Tian Road in Singapore.

Acquisition of Development Properties

Duchess Court at Duchess Walk, Singapore

In May 2006, Duchess Walk Pte Ltd, a 70%-owned subsidiary, successfully tendered on an en-bloc basis, for the freehold property known as Duchess Court at Duchess Walk for an aggregate consideration of S\$104 million. This site is intended to be developed into approximately 120 units of condominium apartments.

Nassim Park at Nassim Road, Singapore

In August 2006, Park Developments Pte Ltd, in which the Company has a 50% interest, successfully tendered on an en-bloc basis, for the freehold property known as Nassim Park at Nassim Road, for an aggregate consideration of S\$380 million. Order of the Strata Titles Board has been obtained and the purchase is scheduled to be completed in first half of 2007. It is intended that the site be developed into approximately 100 units of luxurious condominium apartments.

East Coast Ville at Upper East Coast Road, Singapore

In December 2006, UOL Development Pte Ltd, a wholly-owned subsidiary, acquired the freehold property known as East Coast Ville at Upper East Coast Road for a consideration of S\$54.5 million. The acquisition is conditional upon the approval of the Land Dealings (Approval) Unit and the order for sale from the Strata Titles Board. Upon completion of the purchase, this site is intended to be developed into a residential condominium.

Acquisition of Hotel Negara Limited

During the year, the Company acquired 100% of the issued and paid-up capital of Hotel Negara Limited ("HNL") for an aggregate consideration of S\$134.6 million or S\$6.45 per share and this was arrived at through:

- (i) Acquisition of a 54.46% shareholding interest in HNL from the United Overseas Bank Group;
- (ii) A mandatory unconditional cash offer ("Offer") to acquire all the ordinary shares in the capital of HNL ("Shares") not already owned by the Company at a price of S\$6.45 per share. At the close of the Offer in August 2006, the Company's interest in HNL increased from 54.46% to 99.46%; and
- (iii) Exercise of the Company's right of compulsory acquisition under Section 215 of the Companies Act, Chapter 50 to acquire all the Shares of the shareholders of HNL, who had not accepted the Offer.

Upon completion of the compulsory acquisition in September 2006, HNL became a 100%-owned subsidiary and was subsequently delisted from the Singapore Exchange.

Acquisition of additional interests in Marina Centre Holdings Pte Ltd

In May 2006, the Company acquired an additional 10% shareholding interest, comprising 30,000,000 ordinary shares in the capital of Marina Centre Holdings Pte Ltd ("MCH") at S\$2.084 per share for a net cash consideration of S\$62,520,000. Following this acquisition, UOL's shareholding interest in MCH increased from 12.67% to 22.67%, thereby making MCH an associated company.

Sale of shareholding interest in Clifford Development Pte Ltd

In October 2006, the Company sold its entire 50% shareholding interest in Clifford for an aggregate cash consideration of S\$212.3 million. The sale resulted in a gain of S\$146.1 million for the Company.

Sale of Hotel Grand Plaza (Singapore) Pte Ltd

In October 2006, 77.7%-owned listed subsidiary Hotel Plaza entered into a conditional Sale and Purchase Agreement to sell its entire shareholding in HGP for a net cash consideration of approximately S\$141.2 million. The sale was completed in December 2006 and the Hotel Plaza Group realised an exceptional gain of S\$86.7 million.

Sale of Central Plaza

On 9 October 2006, wholly-owned subsidiary UOL Capital Investments Pte Ltd (formerly known as UOL Tiong Bahru Plaza Pte Ltd), entered into a conditional Sale and Purchase Agreement to sell its 20-storey office known as Central Plaza at 298 Tiong Bahru Road Singapore for a total cash consideration of S\$175 million (S\$917 psf). The sale was completed in January 2007 and a gain of S\$37 million will be reflected in the results for the financial year ending 31 December 2007. This gain does not include the surplus of S\$42 million in the Asset Revaluation Reserve which has been transferred to retained earnings on 1 January 2007, following the adoption of Financial Reporting Standard 40, "Investment Property" for this property.

OUTLOOK FOR 2007

The economic outlook for Singapore remains positive with GDP growth forecast at between 4.5% and 6.5% for 2007. The private residential market is expected to remain buoyant, underpinned by a high level of buying interests especially in the high-end segment. Occupancy and rental rates for office space could improve further given the limited new supply, while rentals for retail space should benefit from the continued economic growth. The continued buoyancy in the tourism sector in Singapore and the region will benefit our subsidiary Hotel Plaza though the hotels in Perth, Australia and Kuala Lumpur, Malaysia may be affected by on-going conversion works.

ACKNOWLEDGEMENTS

I thank the Directors for their wise counsel and guidance during the past year. On 9 May 2006, Messrs Wee Ee Chao and Wee Ee Lim joined the Board and we welcome them.

On behalf of the Board, I would like to thank Mr Wee Ee Cheong for his contributions as a Director from 18 May 1991 to 9 May 2006. My appreciation also goes to the management and staff members who have contributed towards the success of the Group in 2006.

Wee Cho Yaw
Chairman

Singapore, February 2007

BOARD OF DIRECTORS



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Wee Cho Yaw, Chairman¹

A career banker with more than 40 years of experience. Received Chinese high school education. Chairman of the Company and its listed subsidiary, Hotel Plaza Limited ("Hotel Plaza") since 1973. Appointed to the Board on 23 April 1973. Last re-appointed on 19 April 2006. A non-executive and non-independent Director. Chairman of the Executive Committee and Member of the Nominating and Remuneration Committees.

Chairman & CEO of United Overseas Bank Limited ("UOB") and Chairman of several listed companies including United Overseas Insurance Ltd, United International Securities Ltd, Haw Par Corporation Limited, United Industrial Corporation Limited and Singapore Land Limited. He was previously Chairman of Overseas Union Enterprise Limited.

Mr Wee is the President of the Singapore Federation of Chinese Clan Associations, and the Chairman of the Board of Trustees of the Chinese Development Assistance Council and several other civic organisations. He is also the Honorary President of Singapore Chinese Chamber of Commerce & Industry. He was appointed Pro-Chancellor of Nanyang Technological University in 2004.

Recipient of the Credit Suisse-Ernst & Young Lifetime Achievement Award in 2006 and named Businessman of the Year in 1990 and 2001.

Gwee Lian Kheng, President & CEO²

Mr Gwee is the President & CEO of UOL and Hotel Plaza, and has been with the UOL Group since 1973. An executive and non-independent Director. Appointed to the Board on 20 May 1987 and last re-elected on 19 April 2006. Member of the Executive Committee.

Director of most subsidiaries in the UOL Group and Hotel Plaza Group, including Hotel Negara Limited. Also director of United Industrial Corporation Limited and Singapore Land Limited. He was previously a Director of Overseas Union Enterprise Limited.

Mr Gwee holds a Bachelor of Accountancy (Honours) degree from the University of Singapore. He is a Fellow of the Chartered Institute of Management Accountants, Chartered Certified Accountants and Institute of Chartered Secretaries and Administrators. He is also a member of the Institute of Certified Public Accountants of Singapore.

Named Asia Pacific Hotelier of the Year in 2003.

Alan Choe Fook Cheong³

An architect and town planner by profession. Appointed to the Board on 28 March 1979. Last re-appointed on 19 April 2006. An independent and non-executive Director. Chairman of the Nominating Committee and Member of the Executive, Audit and Remuneration Committees. He is also a Director of Hotel Plaza.

Mr Choe was the first General Manager of the Urban Redevelopment Authority and a Senior Partner of one of the largest architectural practices in Singapore. He was the Chairman of Sentosa Development Corporation, Sentosa Cove Pte Ltd, Pasir Ris Resort Pte Ltd, a Trustee of NTUC Income and Member of Singapore Tourism Board. He was also a Director of Keppel Land Limited and is currently on the Board of Frasers Centrepoint Limited.



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Mr Choe holds a Bachelor of Architecture degree, a Diploma in Town & Regional Planning from University of Melbourne and a Fellowship Diploma from Royal Melbourne Institute of Technology. He is a Fellow of the Singapore Institute of Architects, Singapore Institute of Planners and Royal Australian Institute of Architects. He is also a member of Royal Institute of British Architects, Royal Town Planning Institute, Royal Australian Planning Institute and American Planning Association.

Awarded the Public Administration Medal (Gold) in 1967, the Meritorious Service Medal in 1990, and the Distinguished Service Order in 2001.

Lim Kee Ming⁴

Chairman of Lim Teck Lee Group of companies. Appointed to the Board on 23 April 1973. Last re-appointed on 19 April 2006. An independent and non-executive Director. Chairman of the Audit and Remuneration Committees and Member of the Nominating Committee. He is also a Director of Hotel Plaza.

A Director of Haw Par Corporation Limited. He is presently the President of Ngee Ann Kongsi and an Honorary President of Singapore Chinese Chamber of Commerce & Industry. Member of the Advisory Committee of Lee Kuan Yew Distinguished Visitors Programme, Advisor of Network China and Director of Lee Kuan Yew Scholarship Fund. He was previously the Chairman of the Preservation of Monuments Board.

Mr Lim holds a Master of Science (International Trade & Finance) degree from Columbia University, New York, and a Bachelor of Science (Business Administration) degree from New York University, USA.

Wong Yuen Weng Ernest⁵ (resigned on 12 March 2007)

Appointed to the Board on 16 January 1986. Last re-elected on 22 April 2005. An independent and non-executive Director. Member of the Audit Committee. He is also a Director of Hotel Plaza.

Mr Wong built his career with Economic Development Board in 1967 and then with the Ministry of Finance before joining UOB in 1972. He was the President of UOB from 1990 to 2000 and then Group CEO and Director of MediaCorp Pte Ltd from 2000 to 2005. Mr Wong had served as Chairman of The Association of Banks in Singapore and Board Member of the Economic Development Board. He is a member of the Temasek Advisory Panel and also a Board Member of Nanyang Technological University and Chairman of its Finance Committee and Investment Committee. He was previously a Director of Raffles Holdings Limited.

He holds a Bachelor of Science (Chemical Engineering, Honours) degree from University of Surrey, UK.

Wee Ee Chao⁶

Appointed to the Board on 9 May 2006. A non-executive and non-independent Director. Member of the Executive Committee. He is also a Director of Hotel Plaza.

Having led the management of UOB-Kay Hian Holdings Limited over the last 25 years, Mr Wee currently serves as Chairman and Managing Director of UOB-Kay Hian Holdings Limited. He is a Director of most of the UOB-Kay Hian Group of companies. Mr Wee also manages Kheng Leong Company (Private) Limited which is involved in real estate development and investments in the region and is a non-executive director of Haw Par Corporation Limited. He had previously also served as Chairman of the Singapore Tourism Board between 2002 to 2004.

Mr Wee holds a Bachelor of Business Administration degree from The American University, Washington DC.



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James Koh Cher Siang⁷

Appointed to the Board on 23 November 2005. Last re-elected on 19 April 2006. An independent and non-executive Director. He is also a Director of Hotel Plaza.

Mr Koh joined the Housing & Development Board as its Deputy Chairman in July 2005 after retiring from 35 years of distinguished service in the civil service. His prior appointments included Permanent Secretary, Ministry of National Development (1979), Ministry of Community Development (1987) and Ministry of Education (1994) as well as Commissioner of Inland Revenue and Chief Executive Officer of Inland Revenue Authority of Singapore.

He is also the Chairman of Singapore Deposit Insurance Corporation Limited and a Director of CapitaLand Limited, Singapore Airlines Limited and Singapore Cooperation Enterprise.

Mr Koh holds a Bachelor of Philosophy, Political Science and Economics (Honours) degree, Master of Arts degree from University of Oxford, UK and Master in Public Administration degree from Harvard University, USA.

Awarded the Public Administration Medal (Gold) in 1983 and the Meritorious Service Medal in 2002.

Low Weng Keong⁸

Appointed to the Board on 23 November 2005. Last re-elected on 19 April 2006. An independent and non-executive Director. He is also a Director of Hotel Plaza.

Mr Low retired as a senior partner of Ernst & Young in June 2005 after 19 years of practice with the firm. His appointments during his career with the firm included Head of Tax Practice, Member of the Management Committee and culminating in being

the Country Managing Partner and head of the Singapore firm. Prior to that, he held the position of Far East Tax Manager in a US Fortune 500 oil and gas service company, as well as practised with a number of public accounting practices in London. He is also a Director and Vice President of CPA Australia and a Director of Riverstone Holdings Limited and Unionmet (Singapore) Limited.

Mr Low is a Singapore Certified Public Accountant, a Fellow of CPA Australia, Institute of Chartered Accountants in England & Wales, Institute of Certified Public Accountants of Singapore and an Associate Member of Chartered Institute of Taxation (UK).

Wee Ee Lim⁹

Appointed to the Board on 9 May 2006. A non-executive and non-independent Director. He is also a Director of Hotel Plaza.

He joined Haw Par Corporation Limited ("Haw Par") in 1986 and is currently the President and Chief Executive Officer of Haw Par. He is also a director of Singapore Land Limited, United Industrial Corporation Limited, Hua Han Bio-Pharmaceutical Holdings Limited (a company listed on the Hong Kong Stock Exchange) and Sentosa Development Corporation. Mr Wee was previously a Director of Transit-Mixed Concrete Limited.

Mr Wee holds a Bachelor of Arts (Economics) degree from Clark University, USA.

KEY MANAGEMENT EXECUTIVES

Mr Gwee Lian Kheng

Information concerning Mr Gwee is found under the "Board of Directors" section of this Report.

Mr Gn Hiang Meng

Mr Gn joined the UOL Group in 2001 as the Deputy President (Hotels & Finance), and oversees the strategic development of the hotel operations and financial management of the UOL Group. He is a director of most of the subsidiaries of Hotel Plaza and UOL. Mr Gn was previously a senior banker with the UOB Group from 1973 to 2001 and has extensive experience in investment banking and stockbroking businesses. He holds a Bachelor of Business Administration (Honours) degree from the University of Singapore.

Mr Liam Wee Sin

Mr Liam joined the UOL Group in 1993 and is currently the Chief Operating Officer. He oversees the UOL Group's business in property investment, development and maintenance. Mr Liam sits on the boards of several of UOL's subsidiaries. Prior to joining the UOL Group, Mr Liam was practising with an architectural firm and had also spent 8 years in the public sector handling architectural works and facilities management, and 2 years with Jones Lang Wootton undertaking project management and consultancy works. Mr Liam holds a Bachelor of Architecture degree from the National University of Singapore and is a Registered Architect. He is a Council Member of the Real Estate Developers' Association of Singapore, Member of Preservation of Monuments Board and National Crime Prevention Council.

Mr Foo Thiam Fong Wellington

Mr Foo joined the UOL Group in 1977 after graduating from the University of Singapore with a Bachelor of Accountancy (Honours) degree, and currently holds the position of Chief Financial Officer. He oversees the financial management and corporate secretarial matters of the UOL Group and is the Company Secretary of Hotel Plaza and UOL. He is a director of several of the subsidiaries of Hotel Plaza and UOL. Mr Foo is a Fellow of the Institute of Certified Public Accountants of Singapore, a Fellow of CPA Australia and an Associate of the Institute of Chartered Secretaries and Administrators and the Chartered Institute of Management Accountants.

Mr Kam Tin Seah

Mr Kam joined the UOL Group towards the end of 2005 as General Manager (Investments) and he is responsible for identifying, evaluating and recommending suitable property investment opportunities for the Group, both in Singapore and overseas. Prior to joining the UOL Group, Mr Kam spent about 16 years with two other major

property groups, namely Parkway Properties and Centrepont Properties. In both groups, Mr Kam was also involved in business development, primarily in the property sector, as well as corporate planning, project/development management, property/retail management as well as sales and marketing. Mr Kam graduated from the National University of Singapore with an Honours Degree in Estate Management.

Mr Kwan Weng Foon

Mr Kwan was appointed the General Manager (Development) for the UOL Group in June 2006. He oversees the Group's property development projects. He brings with him more than 29 years of experience in construction and property development, having worked in various capacities in the construction and property development industries involving residential, commercial, retail and hotel developments. His previous employers include GuocoLand and Equus Land Pte Ltd. Mr Kwan holds a Bachelor of Science degree in Building Science from the University of Singapore and a Master of Business Administration from the University of Hull, UK.

Mr Lee Choon Kok

Mr Lee has been with the UOL Group since 1981 and is currently the General Manager (Engineering & Maintenance). He has more than 25 years of experience in property and maintenance management within the UOL Group, and is responsible for the UOL Group's engineering, property maintenance and security management. He is a director of a number of subsidiaries of UOL. Mr Lee was previously with PWD (Building Control Division) for 5 years where he was responsible for checking M&E plans and carrying out building inspections. Mr Lee graduated from the University of Singapore in 1973 with a Bachelor of Engineering (Honours) degree, and is a Senior Member of the Institute of Engineers of Singapore and a Registered Professional Engineer.

Ms Lian Ah Cheok Dolly

Ms Lian has been with the UOL Group for 15 years and currently holds the position of General Manager (Marketing). She is responsible for the entire Group's marketing activities which cover residential, commercial and service apartments. Before joining UOL Group, Ms Lian worked with other major employers in Singapore, including a statutory board, DBS Land Ltd, Citibank NA, Knight Frank Pte Ltd, performing duties such as land/facility management, property valuation, business development and marketing. She graduated from the National University of Singapore in 1981 with a Bachelor's Degree in Estate Management. She is a Licensed Appraiser and a Member of the Singapore Institute of Surveyors and Valuers.

SUMMARY FINANCIAL STATEMENTS

IMPORTANT NOTE

The Summary Financial Statements as set out on pages 13 to 34 contain a summary of information in the Report of the Directors and financial statements of the Company's Annual Report and other information as required under Section 203A of the Companies Act, Cap 50, and the regulations made thereunder, applicable to Summary Financial Statements. The Summary Financial Statements do not contain sufficient information to allow for a full understanding of the results and state of affairs of the Company and of the Group. For further information, the full financial statements, Independent Auditors' Report on those statements and the Report of the Directors in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost by using the Request Form at the end of this Summary Financial Statements.

REPORT OF THE DIRECTORS

For the financial year ended 31 December 2006

The directors have pleasure in submitting this report to the members together with the summary financial statements of the Company and of the Group for the financial year ended 31 December 2006.

The name of the Company was changed from United Overseas Land Limited to UOL Group Limited with effect from 19 April 2006.

DIRECTORS

The directors of the Company in office at the date of this report are:

Wee Cho Yaw	-	Chairman
Gwee Lian Kheng	-	President and Chief Executive Officer
Lim Kee Ming		
Alan F C Choe		
Wong Yuen Weng Ernest		
Wee Ee Chao		(appointed on 9 May 2006)
Koh Cher Siang James		
Low Weng Keong		
Wee Ee Lim		(appointed on 9 May 2006)

PRINCIPAL ACTIVITIES

The principal activities of the Company are investments in properties, subsidiaries, associated companies, listed and unlisted securities and property development.

The principal activities of the subsidiaries are those of property development, property investment, property management services, distribution of furniture and related accessories, hoteliers, property owners, hotel manager and operator, health and beauty retreats manager, restaurant operator and the holding of investments.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options" on pages 15 to 18.

REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2006

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

- (a) The directors holding office at 31 December 2006 are also the directors holding office at the date of this report. Their interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings, were as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2006	At 1.1.2006 or date of appointment, if later	At 31.12.2006	At 1.1.2006 or date of appointment, if later
UOL Group Limited ("UOL")				
- Ordinary Shares				
Wee Cho Yaw	3,388,151*	3,388,151*	213,768,442*	205,206,344*
Gwee Lian Kheng	388,000	388,000	-	-
Lim Kee Ming	138,557	138,557	322,357	322,357
Wong Yuen Weng Ernest	5,000	5,000	-	-
Wee Ee Chao	30,748*	30,748*	80,820,597*	80,820,597*
Koh Cher Siang James	385	385	-	-
Wee Ee Lim	241,489	241,489	80,553,452*	80,553,452*
- Executives' Share Options				
Gwee Lian Kheng	400,000	300,000	-	-
Hotel Plaza Limited ("HPL")				
- Ordinary Shares				
Wee Cho Yaw	-	-	310,856,000*	309,315,000*
Gwee Lian Kheng	114,000	114,000	150,000	150,000
Lim Kee Ming	10,000	10,000	-	-
Wee Ee Chao	-	-	595,000	595,000

* Includes shares registered in the name of nominees.

- (b) The directors' interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings at 21 January 2007, were the same as those at 31 December 2006.

REPORT OF THE DIRECTORS (continued)*For the financial year ended 31 December 2006***DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)**

- (c) Messrs Wee Cho Yaw, Wee Ee Chao and Wee Ee Lim are each deemed to have an interest in all the shares held by Kheng Leong Company (HK) Limited in the following partially owned subsidiaries of the Group, by virtue of their having an interest of not less than 20% each in the issued share capital of Kheng Leong Company (HK) Limited:

	Holdings in which a director is deemed to have an interest	
	At 1.1.2006 or date of appointment, if later	At 31.12.2006
Success Venture Investments (Australia) Ltd		
- Ordinary Shares of US\$1 each	2,059,500	2,059,500
Success City Pty Limited		
- Ordinary Shares	1,720,834	1,720,834

- (d) Save as disclosed above, none of the other directors holding office at 31 December 2006 has any interest in the ordinary shares and Executives' Share Options of the Company and the ordinary shares of HPL and any other related corporations of the Company, as recorded in the register of directors' shareholdings.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report.

SHARE OPTIONS**UOL Group Executives' Share Option Scheme**

- (a) The UOL Group Executives' Share Option Scheme ("the 2000 Scheme") was approved by the shareholders of the Company at an Extraordinary General Meeting held on 23 May 2000.
- (b) Under the terms of the 2000 Scheme, the total number of shares granted shall not exceed 15% of the issued share capital of the Company and the executives may exercise the options by giving notice in writing to the Company in the prescribed form during the option period, accompanied by remittance of the amount of the Offering Price.

The Offering Price is equal to the average of the last dealt prices per share as determined by reference to the daily official list published by the Singapore Exchange Securities Trading Limited for a period of 3 consecutive trading days immediately prior to the relevant offering date.

REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2006

SHARE OPTIONS (continued)

UOL Group Executives' Share Option Scheme (continued)

- (c) On 18 May 2006, options were granted pursuant to the 2000 Scheme to the executives of the Company and its subsidiaries to subscribe for 1,444,000 ordinary shares in the Company (known as "the 2006 Options") at the offer price of \$3.21 per ordinary share. 1,432,000 options granted were accepted by the executives, including Mr Gwee Lian Kheng.

The details of the options accepted are as follows:

	No. of employees	At offer price of \$3.21 per share
Executive Director	1	100,000
Other Executives	64	1,332,000
	65	1,432,000

- (d) Statutory information regarding the 2006 Options is as follows:

- (i) The vesting of granted options is conditional on the completion of one year of service from the grant date. The option period begins on 18 May 2007 and expires on 17 May 2016 or on the date of termination of employment or in the case of the executive director, on the date he ceases to be the executive director of the Company, whichever is earlier, subject to the provisions of Rule 13 of the Rules of the 2000 Scheme.
- (ii) The options may be exercised in full or in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price.
- (iii) The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company in the Group.

Details of options granted in previous financial years were set out in the Report of the Directors for the respective financial years.

- (e) Other information required by the Singapore Exchange Securities Trading Limited:

Pursuant to Rule 852 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is reported that during the financial year:

- (i) The Remuneration Committee comprising the following directors administer the 2000 Scheme:

Wee Cho Yaw	Chairman	(Non-independent)
Alan F C Choe	Member	(Independent)
Lim Kee Ming	Member	(Independent)

REPORT OF THE DIRECTORS (continued)*For the financial year ended 31 December 2006***SHARE OPTIONS (continued)****UOL Group Executives' Share Option Scheme (continued)**

(e) Other information required by the Singapore Exchange Securities Trading Limited (continued):

- (ii) The details of options granted to a director of the Company, Mr Gwee Lian Kheng, under the 2000 Scheme are as follows:

Aggregate options granted since commencement of the 2000 Scheme to 31.12.2005	Options granted during the financial year	Aggregate options granted since commencement of the 2000 Scheme to 31.12.2006	Aggregate options exercised since commencement of the 2000 Scheme to 31.12.2006	Aggregate options outstanding at 31.12.2006
500,000	100,000	600,000	200,000	400,000

- (iii) No options have been granted to controlling shareholders or their associates, parent group employees, and no employee has received 5% or more of the total options available under the 2000 Scheme. No options were granted at a discount during the financial year.

OUTSTANDING SHARE OPTIONS

At 31 December 2006, the holders of the Executives' Share Options include a director of the Company as disclosed under "Directors' interests in shares or debentures".

The holders of the Executives' Share Options have no right to participate by virtue of the options in any share issue of any other company in the Group.

During the financial year, 1,672,000 ordinary shares of the Company were issued upon the exercise of options by:

Holders of	Number of ordinary shares	Exercise price per share \$
2002 Options	30,000	1.81
2003 Options	134,000	2.05
2004 Options	617,000	2.28
2005 Options	891,000	2.23
2006 Options	-	3.21
	<u>1,672,000</u>	

REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2006

OUTSTANDING SHARE OPTIONS (continued)

Unissued ordinary shares under options at 31 December 2006 comprise:

	At 1.1.2006	Options granted in 2006	Options exercised	Options lapsed	At 31.12.2006	Exercise/ Subscription price /\$	Option period
Executives'							
Share Options							
2002 Options	84,000	-	30,000	12,000	42,000	1.81	27.06.2003 to 26.06.2012
2003 Options	354,000	-	134,000	12,000	208,000	2.05	27.06.2004 to 26.06.2013
2004 Options	1,071,000	-	617,000	6,000	448,000	2.28	21.05.2005 to 20.05.2014
2005 Options	1,324,000	-	891,000	24,000	409,000	2.23	09.05.2006 to 08.05.2015
2006 Options	-	1,432,000	-	90,000	1,342,000	3.21	18.05.2007 to 17.05.2016
	<u>2,833,000</u>	<u>1,432,000</u>	<u>1,672,000</u>	<u>144,000</u>	<u>2,449,000</u>		

AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are independent and non-executive directors. The members are:

Lim Kee Ming	-	Chairman
Alan F C Choe	-	Member
Wong Yuen Weng Ernest	-	Member

ABILITY TO MEET OBLIGATIONS

No contingent liability or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the full Report of the Directors or the full financial statements for the year ended 31 December 2006 which would render any amount stated in the financial statements of the Group or of the Company misleading.

REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2006

UNUSUAL ITEMS

In the opinion of the directors, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year except as disclosed in Note 2 of the Summary Financial Statements.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

The Summary Financial Statements as set out on pages 13 to 34 were approved by the Board of Directors and signed on its behalf by:

WEE CHO YAW
Chairman

GWEE LIAN KHENG
Director

16 February 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UOL GROUP LIMITED (PREVIOUSLY KNOWN AS UNITED OVERSEAS LAND LIMITED)

We have examined the Summary Financial Statements as set out on pages 13 to 34.

In our opinion, the Summary Financial Statements are consistent, in all material aspects, with the full financial statements and the Report of the Directors of UOL Group Limited and its subsidiaries for the financial year ended 31 December 2006 and complies with the requirements of Section 203A of the Companies Act, Cap 50, and the regulations made thereunder, applicable to Summary Financial Statements.

For a full understanding of the results and state of affairs of the Company and the Group, the Summary Financial Statements should be read in conjunction with the full financial statements of UOL Group Limited and its subsidiaries for the financial year ended 31 December 2006.

We have issued an unqualified audit report dated 16 February 2007 on the full financial statements of UOL Group Limited and its subsidiaries for the financial year ended 31 December 2006. The audit report is as follows:

"INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UOL GROUP LIMITED (PREVIOUSLY KNOWN AS UNITED OVERSEAS LAND LIMITED)"

We have audited the accompanying financial statements of UOL Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 45¹ to 119¹ for the financial year ended 31 December 2006, which comprise the income statements, balance sheets and statement of changes in equity of the Company and of the Group and the consolidated cash flow statement of the Group, and a summary of the significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 as to whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 directors, 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,

- (a) the accompanying income statements, balance sheets and statement of changes in equity of the Company and of the Group and the consolidated cash flow statement of the Group are properly drawn up in accordance with the provisions of the Companies Act, Cap 50 (the "Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group at 31 December 2006, the profits and the changes in equity of the Company and of the Group, and the cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act."

PricewaterhouseCoopers
Certified Public Accountants

Singapore, 16 February 2007

¹ The page numbers are stated in the Independent Auditors' Report dated 16 February 2007 included in the UOL Group Limited Annual Report for the financial year ended 31 December 2006.

INCOME STATEMENTS

For the financial year ended 31 December 2006

	Notes	The Group		The Company	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Revenue		605,121	505,482	90,802	72,706
Cost of sales		(326,682)	(258,609)	(3,482)	(2,190)
Gross profit		278,439	246,873	87,320	70,516
Other gains					
- Finance income		6,634	13,674	15,828	14,028
- Miscellaneous		5,115	25,884	746	16,824
- Exceptional items	2	248,165	494	213,775	16,420
Expenses					
- Marketing and distribution		(24,184)	(19,339)	(110)	(93)
- Administrative		(35,913)	(32,445)	(7,559)	(6,719)
- Finance		(25,842)	(26,694)	(17,136)	(17,493)
- Other operating		(59,753)	(57,411)	(869)	(789)
Share of profit/(loss) of associated companies		14,138	(1,201)	-	-
Profit before income tax		406,799	149,835	291,995	92,694
Income tax expense	3	(33,773)	(29,986)	(16,452)	(14,602)
Net profit		373,026	119,849	275,543	78,092
Attributable to:					
Equity holders of the Company		339,444	100,070	275,543	78,092
Minority interests		33,582	19,779	-	-
		373,026	119,849	275,543	78,092
Earnings per share attributable to equity holders of the Company (expressed in cents per share)					
- Basic (in cents)		42.75	12.62		
- Diluted (in cents)		42.73	12.62		

BALANCE SHEETS

As at 31 December 2006

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and bank balances	130,297	104,503	12	1,502
Trade and other receivables	31,645	29,348	6,292	2,184
Development properties	577,643	248,531	-	-
Inventories	4,962	5,132	-	-
Available-for-sale financial assets	566,922	400,968	566,922	400,968
Other current assets	7,294	18,972	1,756	298
Current income tax assets	156	1,448	-	-
	1,318,919	808,902	574,982	404,952
Investment property held for sale	137,848	-	-	-
	1,456,767	808,902	574,982	404,952
Non-current assets				
Trade and other receivables	87,574	83,084	305,115	323,787
Available-for-sale financial assets	544,129	410,639	26,949	83,623
Associated companies	221,818	32,307	112,086	1,000
Subsidiaries	-	-	1,049,114	844,205
Investment properties	1,658,085	1,545,193	278,691	224,236
Property, plant and equipment	658,516	616,390	903	1,227
Intangibles	14,663	14,516	-	-
Deferred income tax assets	10,360	9,154	-	-
	3,195,145	2,711,283	1,772,858	1,478,078
Total assets	4,651,912	3,520,185	2,347,840	1,883,030
LIABILITIES				
Current liabilities				
Trade and other payables	101,719	87,303	10,326	6,619
Current income tax liabilities	101,803	100,778	79,114	79,530
Borrowings	117,642	69,238	99,134	4,000
	321,164	257,319	188,574	90,149
Liabilities directly associated with investment property held for sale	2,212	-	-	-
	323,376	257,319	188,574	90,149

BALANCE SHEETS (continued)

As at 31 December 2006

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Non-current liabilities				
Borrowings	664,700	518,504	-	-
Loans from subsidiaries	-	-	188,493	200,130
Loans from minority shareholders of subsidiaries	39,893	14,560	-	-
Rental deposits	13,562	12,628	1,411	1,309
Provision for retirement benefits	1,875	1,659	-	-
Deferred income tax liabilities	158,955	119,079	94,555	65,630
	878,985	666,430	284,459	267,069
Total liabilities	1,202,361	923,749	473,033	357,218
NET ASSETS	3,449,551	2,596,436	1,874,807	1,525,812
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital and share premium	1,071,987	1,068,264	1,071,987	1,068,264
Reserves	1,170,697	662,567	489,121	359,900
Retained earnings	913,320	633,368	313,699	97,648
	3,156,004	2,364,199	1,874,807	1,525,812
Minority interests	293,547	232,237	-	-
TOTAL EQUITY	3,449,551	2,596,436	1,874,807	1,525,812

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2006

	Notes	Attributable to equity holders of the Company				Total \$'000
		Share capital and share premium \$'000	Reserves \$'000	Retained earnings \$'000	Minority interests \$'000	
Balance at 1 January 2006		1,068,264	662,567	633,368	232,237	2,596,436
Fair value gains on available-for-sale financial assets		-	269,766	-	786	270,552
Net revaluation surplus on investment properties	4	-	196,525	-	34,043	230,568
Capital reserves arising from transfer of available-for-sale financial asset to investment in associated company		-	48,799	-	-	48,799
Currency translation differences		-	(7,620)	-	(2,041)	(9,661)
Net gains recognised directly in equity		-	507,470	-	32,788	540,258
Net profit for the financial year		-	-	339,444	33,582	373,026
Total recognised gains for the financial year		-	507,470	339,444	66,370	913,284
Employee share option scheme						
- Value of employee services		-	660	-	-	660
- Proceeds from shares issued		3,723	-	-	-	3,723
Acquisition of minority interest		-	-	-	(1,007)	(1,007)
Dividends relating to 2005	5	-	-	(59,492)	(4,053)	(63,545)
Balance at 31 December 2006		1,071,987	1,170,697	913,320	293,547	3,449,551
Balance at 1 January 2005		1,067,911	543,220	580,881	228,981	2,420,993
Fair value gains on available-for-sale financial assets		-	83,069	-	347	83,416
Net revaluation surplus on investment properties	4	-	40,210	-	4,432	44,642
Currency translation differences		-	(4,771)	-	1,016	(3,755)
Net gains recognised directly in equity		-	118,508	-	5,795	124,303
Net profit for the financial year		-	-	100,070	19,779	119,849
Total recognised gains for the financial year		-	118,508	100,070	25,574	244,152
Employee share option scheme						
- Value of employee services		-	865	-	-	865
- Proceeds from shares issued		353	-	-	-	353
Acquisition of minority interest		-	-	-	(19,573)	(19,573)
Liquidation of a subsidiary		-	(26)	-	-	(26)
Dividends relating to 2004	5	-	-	(47,583)	(2,745)	(50,328)
Balance at 31 December 2005		1,068,264	662,567	633,368	232,237	2,596,436

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2006

	Notes	Share capital and share premium \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2006		1,068,264	359,900	97,648	1,525,812
Fair value gains on available-for-sale financial assets		-	81,882	-	81,882
Net revaluation surplus on investment properties	4	-	46,679	-	46,679
Net gains recognised directly in equity		-	128,561	-	128,561
Net profit for the financial year		-	-	275,543	275,543
Total recognised gains for the financial year		-	128,561	275,543	404,104
Employee share option scheme					
- Value of employee services		-	660	-	660
- Proceeds from shares issued		3,723	-	-	3,723
Dividends relating to 2005	5	-	-	(59,492)	(59,492)
Balance at 31 December 2006		1,071,987	489,121	313,699	1,874,807
Balance at 1 January 2005		1,067,911	308,979	67,139	1,444,029
Fair value gains on available-for-sale financial assets		-	32,934	-	32,934
Net revaluation surplus on investment properties	4	-	17,122	-	17,122
Net gains recognised directly in equity		-	50,056	-	50,056
Net profit for the financial year		-	-	78,092	78,092
Total recognised gains for the financial year		-	50,056	78,092	128,148
Employee share option scheme					
- Value of employee services		-	865	-	865
- Proceeds from shares issued		353	-	-	353
Dividends relating to 2004	5	-	-	(47,583)	(47,583)
Balance at 31 December 2005		1,068,264	359,900	97,648	1,525,812

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2006

	2006 \$'000	2005 \$'000
Cash flows from operating activities		
Net profit	373,026	119,849
Adjustments for:		
Income tax	33,773	29,986
Amortisation of bond discount	-	12,867
Negative goodwill taken to income statement	-	(382)
Negative goodwill on acquisition of an associated company	(14,388)	-
Amortisation of trademark and goodwill	100	100
Depreciation of property, plant and equipment	36,691	35,280
Property, plant and equipment written off and net loss on disposals	3,967	7,254
Profit on development properties	(38,172)	(23,553)
Fair value reserve transferred to income statement on disposal of/ return of capital from available-for-sale financial assets	(1,006)	(60)
Gain on sale of available-for-sale financial assets	-	(55)
Loss/(gain) on liquidation of subsidiaries/an associated company (net)	40	(379)
Gain on disposal of a subsidiary	(86,717)	-
Gain on disposal of an associated company	(146,094)	-
Share of results of associated companies	(14,138)	1,201
Unrealised translation gains	(1,379)	(5,325)
Interest expense	25,842	13,827
Investment and interest income	(39,300)	(45,008)
Deferred income	-	(3,329)
Net provision for retirement benefits	292	285
Share option expense	626	631
Gain on option relating to Exchangeable Notes	-	(15,908)
Write-back of provision for settlement of claim	-	(679)
	(239,863)	6,753
Operating cash flow before working capital changes	133,163	126,602
Change in operating assets and liabilities, net of effects from purchase and disposals of subsidiaries		
- Receivables	9,084	(1,391)
- Inventories	92	(551)
- Rental deposits	2,996	210
- Payables	7,630	3,317
	19,802	1,585
Expenditure on development properties	(326,316)	(124,407)
Progress billings	47,374	49,386
Cash generated from operations	(125,977)	53,166
Income tax paid	(17,662)	(11,821)
Retirement benefits paid	(57)	(102)
Fixed deposits pledged as security	-	1,226
Net cash (used in)/from operating activities	(143,696)	42,469

CONSOLIDATED CASH FLOW STATEMENT (continued)

For the financial year ended 31 December 2006

	2006 \$'000	2005 \$'000
Cash flows from investing activities		
Proceeds from return of capital from available-for-sale financial assets	1,056	281
Net proceeds from disposal of available-for-sale financial assets	5,933	716
Payment for interest in associated companies	(128,373)	(621)
Proceeds from sale of interest in/ liquidation of associated companies	220,005	-
Loans to associated companies	(18,380)	(77,683)
Payment to minority shareholders for purchase of shares in subsidiaries	(1,789)	(22,002)
Net payment for acquisition of a subsidiary	(133,412)	-
Purchase of available-for-sale financial assets	(47,037)	(15,453)
Net proceeds from disposal of property, plant and equipment and investment properties	681	351
Purchase of property, plant and equipment and investment properties	(70,713)	(53,187)
Proceeds from disposal of a subsidiary, net of cash disposed	176,962	-
Repayment of loans from associated company	5,922	320
Retention monies withheld/(released)	1,843	(2,785)
Interest received	7,220	10,413
Dividend received	28,895	29,278
Net cash from/(used in) investing activities	48,813	(130,372)
Cash flows from financing activities		
Proceeds from issue of shares	3,723	353
Net proceeds from issue of shares to minority shareholders of subsidiaries	700	2,932
Net payment on Zero Coupon Exchangeable Notes due September 2005	-	(497,716)
Loans from minority shareholders of subsidiaries	25,347	9,868
Long-term borrowings	94,008	306,606
Short-term borrowings	93,175	(290,990)
Expenditure relating to bank borrowings	(345)	(633)
Interest paid	(32,149)	(15,140)
Dividends paid to shareholders of UOL Group Limited	(59,492)	(47,583)
Dividends paid to minority shareholders of subsidiaries	(4,053)	(2,745)
Net cash from/(used in) financing activities	120,914	(535,048)
Net increase/(decrease) in cash and cash equivalents	26,031	(622,951)
Cash and cash equivalents at the beginning of the financial year	100,635	723,586
Cash and cash equivalents at the end of the financial year	126,666	100,635

(a) The consolidated cash and cash equivalents comprised the following:

	2006 \$'000	2005 \$'000
Cash and bank balances per balance sheet	130,297	104,503
Less : Fixed deposits pledged as security	(2,837)	(3,069)
Bank overdrafts (secured)	-	(757)
Bank overdrafts (unsecured)	(794)	(42)
Cash and cash equivalents per consolidated cash flow statement	126,666	100,635

CONSOLIDATED CASH FLOW STATEMENT (continued)

For the financial year ended 31 December 2006

(b) Acquisition and disposal of subsidiaries

(i) Acquisition of a subsidiary

On 24 June 2006, the Company acquired 54.5% of the issued share capital of Hotel Negara Limited ("HNL") from United Overseas Bank Limited ("UOB") and its related companies. A director and controlling shareholder of UOB is also a director of the Company. The remaining 45.5% were acquired through a Mandatory General Offer. The total cash consideration paid was \$134,650,000.

HNL contributed revenue of \$9,816,000 and net profit of \$5,637,000 to the Group for the period from 1 July 2006 to 31 December 2006. The subsidiary's assets and liabilities at 31 December 2005 were \$74,446,000 and \$19,016,000 respectively. If the acquisition had occurred on 1 January 2006, Group revenue would have been increased by \$7,278,000 and net profit by \$3,124,000 for the financial year ended 31 December 2006.

Fair value of identifiable net assets at the date of acquisition amounted to \$134,650,000, resulting in no goodwill recognised on acquisition.

(ii) Disposal of a subsidiary

On 3 October 2006, a subsidiary entered into an agreement to dispose of the subsidiary's 100% interest in Hotel Grand Plaza (Singapore) Pte Ltd ("HGP") for a cash consideration of \$140,349,000 net of transaction costs. The sale was completed on 28 December 2006, and the carrying value of the identifiable net assets disposed of amounted to \$53,632,000, resulting in a gain on disposal of \$86,717,000.

(iii) The aggregate effects of the acquisition of HNL and disposal of HGP on the cash flows of the Group were as follows:

	The Group		
	Acquisition		Disposal
	At fair values	Carrying amounts	Carrying amounts
	\$'000	in HNL's books	in HGP's books
		\$'000	\$'000
<i>Identifiable assets and liabilities</i>			
Cash and cash equivalents	1,238	1,238	(2,138)
Trade and other receivables	1,443	1,443	(1,389)
Inventories	113	113	(191)
Investment property	-	-	(3,394)
Property, plant and equipment	140,900	64,050	(90,567)
Available-for-sale financial assets	7,452	7,452	-
Other current assets	-	-	(118)
Total assets	151,146	74,296	(97,797)

CONSOLIDATED CASH FLOW STATEMENT (continued)

For the financial year ended 31 December 2006

(b) Acquisition and disposal of subsidiaries (continued)

	The Group		
	Acquisition		Disposal
	At fair values	Carrying amounts	Carrying amounts
	\$'000	in HNL's books	in HGP's books
		\$'000	\$'000
Trade and other payables	(1,614)	(1,614)	2,895
Shareholder's loans	-	-	38,751
Borrowings	(12,800)	(12,800)	-
Current income tax liabilities	(674)	(674)	-
Deferred income tax liabilities	(1,408)	(1,408)	2,040
Total liabilities	(16,496)	(16,496)	43,686
Identifiable net assets acquired/(disposed of)	134,650	57,800	(54,111)
Cash consideration paid	134,650		
Less: Cash and cash equivalents in subsidiary acquired	(1,238)		
Net cash outflow on acquisition	133,412		

The aggregate cash inflows arising from the disposal of HGP were as follows:

	\$'000
Identifiable net assets disposed (as above)	54,111
Transfer from shareholders' equity – asset revaluation reserve	(479)
Gain on disposal	86,717
Cash proceeds from disposal	140,349
Repayment of shareholder's loans	38,751
Less: Cash and cash equivalents in subsidiary disposed	(2,138)
Net cash inflow on disposal	176,962

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2006

1. MATERIAL CHANGES IN ACCOUNTING POLICIES

In 2006, the Group and the Company adopted the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS (INT FRS) that are applicable in the current financial year. The adoption of the new or revised FRS resulted in the following material changes in accounting policies:

Financial Guarantee Contracts

Previously, financial guarantees issued by the Company to banks in relation to banking facilities granted to subsidiaries are accounted for as contingent liabilities of the Company and are not recognised in the financial statements until the Company has incurred an obligation to make payment under the guarantee.

FRS 39 (Amendment) Financial Guarantee Contracts, effective from 1 January 2006, requires financial guarantees to be accounted for in a manner as set out below:

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs, except when the fair value is determined to be insignificant.

Financial guarantee contracts are subsequently amortised to the income statement over the period of the subsidiaries' borrowings, unless the Company has incurred an obligation to reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantee contracts shall be carried at the expected amount payable to the bank.

The revised FRS 39 requires retrospective application and did not result in material adjustments to the balance sheet of the Company at 31 December 2005 and 1 January 2006. There are also no adjustments arising from the adoption on the balance sheet of the Company at 31 December as the effects of any such adjustments are not significant.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2006

2. OTHER GAINS - EXCEPTIONAL ITEMS

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Fair value reserve transferred to income statement on disposal of/return of capital from an available-for-sale financial asset	1,006	60	-	-
Impairment charge on investment in subsidiaries	-	-	-	(30)
Write-back of impairment charge on investment in subsidiaries	-	-	67,170	16,450
Negative goodwill on acquisition of an associated company	14,388	-	-	-
Gain on liquidation of subsidiaries	-	392	-	-
Gain on disposal of an associated company	146,094	-	146,605	-
Loss on liquidation of subsidiaries/ an associated company	(40)	(13)	-	-
Gain on sale of a subsidiary	86,717	-	-	-
Gain on sale of available-for-sale financial assets - unlisted equity shares	-	55	-	-
	248,165	494	213,775	16,420

On 11 March 2006, the Company invested in a joint venture to redevelop certain properties in Singapore. The joint venture did not proceed subsequently and on 27 October 2006, the Company received consideration from the joint venture partner, determined on a willing buyer, willing seller basis, for the buyout of all of the Company's share in the joint venture.

3. INCOME TAX EXPENSE

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Tax expense attributable to profit is made up of:				
Current income tax				
- Singapore	20,870	22,226	16,700	14,602
- foreign	3,191	2,657	-	-
Deferred income tax	8,774	6,373	10	-
	32,835	31,256	16,710	14,602
Deferred income tax asset previously not recognised	-	(1,774)	-	-
	32,835	29,482	16,710	14,602
(Over)/under provision in preceding financial years				
- Singapore current income tax	1,431	348	-	-
- deferred income tax	(493)	156	(258)	-
	33,773	29,986	16,452	14,602

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2006

4. ASSET REVALUATION RESERVES

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
At the beginning of the financial year	234,637	195,164	80,366	63,244
Net surplus arising from the revaluation of investment properties	228,779	37,866	46,679	10,640
Deferred tax on (surplus)/deficit on revaluation of investment properties	(1,871)	6,776	-	6,482
Share of associated company's movement in asset revaluation reserve	4,139	-	-	-
Disposal of a subsidiary	(479)	-	-	-
	230,568	44,642	46,679	17,122
Amount attributable to minority interests	(34,043)	(4,432)	-	-
	196,525	40,210	46,679	17,122
Currency translation differences	(1,344)	(737)	-	-
At the end of the financial year	429,818	234,637	127,045	80,366

The asset revaluation reserve of the Group does not take into account the surplus of \$390,635,000 (2005: \$303,362,000) arising from the revaluation of the hotel properties of the Group.

5. DIVIDENDS

	The Group and the Company	
	2006	2005
	\$'000	\$'000
Final one-tier dividend paid in respect of the previous financial year of 7.5 cents (2005: 6.0 cents) per share	59,492	47,583

At the Annual General Meeting on 25 April 2007, a final one-tier dividend of 7.5 cents per share amounting to a total of \$59,618,000 and a special one-tier dividend of 7.5 cents per share amounting to a total of \$59,618,000 will be recommended. These financial statements do not reflect these dividends, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2007.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2006

6. RELATED PARTY TRANSACTIONS

- (a) In the previous financial year, the Company was regarded by United Overseas Bank Limited ("UOB") as an associated company and the related party transactions with UOB were disclosed in the financial statements for the financial year ended 31 December 2005. On 6 January 2006, UOB divested its interest in the Company and hence UOB no longer regards the Company as its associated company. Accordingly, disclosure of transactions with the UOB group of companies was no longer required.
- (b) There were the following significant transactions between the Group and related parties during the financial year on terms agreed between the parties concerned:

	The Group		The Company	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Transactions with directors and their associates				
Proceeds from sale of development properties	330	268	-	-
Rental received	1,102	841	264	4
Advertising expenses paid	-	348	-	-
Proceeds from sale of furniture	200	1,769	-	-
Management fee received	257	168	-	-
Accounting and corporate secretarial fee received	29	-	29	-
Shareholder's interest receivable	701	80	701	80
Tenancy works expense paid	-	210	-	210
Transactions with minority shareholders of subsidiaries				
Proceeds from sale of development properties	327	322	-	-
Payment of development cost	23,093	13,361	-	-

- (c) Key management personnel compensation is analysed as follows:

	The Group	
	2006	2005
	\$'000	\$'000
Salaries and other short-term employee benefits	2,633	2,166
Directors' fees	822	547
Post-employment benefits – contribution to CPF	24	28
Share options granted	145	129
	3,624	2,870

Total compensation to directors of the Company included in above amounted to \$1,999,000 (2005: \$1,461,000).

SHAREHOLDING STATISTICS*As at 6 March 2007*

Class of shares : Ordinary shares
 Voting rights : One vote per share

SIZE OF SHAREHOLDINGS

Range	No. of Shareholders	%	No. of Shares	%
1 – 999	16,941	60.04	3,097,158	0.39
1,000 – 10,000	9,380	33.24	31,039,839	3.91
10,001 – 1,000,000	1,868	6.62	88,672,927	11.15
1,000,001 and above	28	0.10	672,181,230	84.55
Total:	28,217	100.00	794,991,154	100.00

TWENTY LARGEST SHAREHOLDERS

Name	No. of Shares	%(1)
1. United Overseas Bank Nominees (Pte) Limited	164,722,607	20.72
2. DBS Nominees Pte Ltd	123,238,048	15.50
3. Wee Investments Pte Ltd	80,345,090	10.11
4. Tye Hua Nominees (Pte) Ltd	74,345,209	9.35
5. Citibank Nominees Singapore Pte Ltd	49,151,154	6.18
6. HSBC (Singapore) Nominees Pte Ltd	38,234,048	4.81
7. DBSN Services Pte Ltd	36,103,525	4.54
8. Raffles Nominees Pte Ltd	34,203,132	4.30
9. Morgan Stanley Asia (Singapore) Securities Pte Ltd	23,440,794	2.95
10. Wah Hin & Co Pte Ltd	8,122,177	1.02
11. Overseas Union Enterprise Limited	4,833,772	0.61
12. DB Nominees (S) Pte Ltd	3,921,034	0.49
13. Kah Motor Co Sdn Bhd	3,398,345	0.43
14. Phillip Securities Pte Ltd	3,338,393	0.42
15. C Y Wee & Co Pte Ltd	3,164,565	0.40
16. Ho Han Leong Calvin	2,611,202	0.33
17. Oversea-Chinese Bank Nominees Pte Ltd	2,175,257	0.27
18. OCBC Nominees Singapore Pte Ltd	2,154,447	0.27
19. Ngee Ann Development Pte Ltd	2,000,000	0.25
20. The Asia Life Assurance Society Ltd-Par Fund	1,699,340	0.21
Total:	661,202,139	83.16

Based on information available to the Company as at 6 March 2007, approximately 61% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

SHAREHOLDING STATISTICS (continued)

As at 6 March 2007

SUBSTANTIAL SHAREHOLDERS as shown in the Register of Substantial Shareholders

Name	Direct Interest	No. of Shares fully paid Deemed Interest	Total	% ⁽¹⁾
1. Wee Cho Yaw	3,388,151	220,768,442 ⁽²⁾	224,156,593	28.20
2. Wee Ee Cheong	300,534	179,143,687 ⁽³⁾	179,444,221	22.57
3. C Y Wee & Co Pte Ltd	98,512,587	–	98,512,587	12.39
4. Wee Ee Chao	30,748	80,820,597 ⁽⁴⁾	80,851,345	10.17
5. Wee Ee Lim	241,489	80,553,452 ⁽⁵⁾	80,794,941	10.16
6. Wee Investments Pte Ltd	80,535,090	–	80,535,090	10.13
7. United Overseas Bank Limited (“UOB”)	–	80,252,243 ⁽⁶⁾	80,252,243	10.09
8. Haw Par Corporation Limited	–	41,428,805 ⁽⁷⁾	41,428,805	5.21

Notes :

⁽¹⁾ As a percentage of the issued share capital of the Company, comprising 794,991,154 shares

⁽²⁾ Mr Wee Cho Yaw's deemed interest in the shares arise as follows:

- (a) 274,858 shares held by his spouse
- (b) 98,512,587 shares held by C Y Wee & Co Pte Ltd
- (c) 80,535,090 shares held by Wee Investments Pte Ltd
- (d) 41,428,805 shares which Haw Par Corporation Limited is deemed to be interested in
- (e) 17,102 shares held by Kheng Leong Co. (Pte) Ltd

⁽³⁾ Mr Wee Ee Cheong's deemed interest in the shares arise as follows:

- (a) 3,423 shares held by his spouse
- (b) 98,512,587 shares held by C Y Wee & Co Pte Ltd
- (c) 80,535,090 shares held by Wee Investments Pte Ltd
- (d) 75,485 shares held by E C Wee Pte Ltd
- (e) 17,102 shares held by Kheng Leong Co. (Pte) Ltd

⁽⁴⁾ Mr Wee Ee Chao's deemed interest in the shares arise as follows:

- (a) 2,773 shares held by his spouse
- (b) 80,535,090 shares held by Wee Investments Pte Ltd
- (c) 265,565 shares held by Protheus Investment Holdings Pte Ltd
- (d) 17,102 shares held by Kheng Leong Co. (Pte) Ltd
- (e) 67 shares held by KIP Investment Holdings Pte Ltd

⁽⁵⁾ Mr Wee Ee Lim's deemed interest in the shares arise as follows:

- (a) 1,260 shares held by his spouse
- (b) 80,535,090 shares held by Wee Investments Pte Ltd
- (c) 17,102 shares held by Kheng Leong Co. (Pte) Ltd

⁽⁶⁾ UOB's deemed interest in the shares arise as follows:

- (a) 74,332,898 shares held in the name of Tye Hua Nominees (Pte) Ltd for the benefit of UOB
- (b) 551,000 shares and 4,325,617 shares held in the name of United Overseas Bank Nominees (Pte) Limited for the benefit of UOB Life Assurance Limited and United International Securities Limited respectively
- (c) 548,828 shares and 493,900 shares held by UOB Asset Management Ltd (“UOBAM”) as part of unit trusts fund and clients portfolios respectively which are managed by UOBAM

⁽⁷⁾ Haw Par Corporation Limited's deemed interest in the shares arise as follows:

- (a) 26,561,931 shares held by Haw Par Investment Holdings Pte Ltd
- (b) 10,527,246 shares held by Haw Par Capital Pte Ltd
- (c) 1,747,053 shares held by Pickwick Securities Private Ltd
- (d) 643,656 shares held by Haw Par Equities Pte Ltd
- (e) 1,424,981 shares held by Straits Maritime Leasing Pte Ltd
- (f) 300,000 shares held by Haw Par Trading Pte Ltd
- (g) 223,938 shares held by M&G Maritime Services Pte Ltd

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 44th Annual General Meeting of the Company will be held at Parkroyal on Beach Road, Plaza Ballroom, Level 4, 7500A Beach Road, Singapore 199591, on Wednesday, 25 April 2007, at 3.45 p.m. to transact the following business:

AS ORDINARY BUSINESS

- Resolution 1** To receive the Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2006.
- Resolution 2** To declare a first and final tax-exempt (one-tier) dividend of 7.5 cents per ordinary share and a special tax-exempt (one-tier) dividend of 7.5 cents per ordinary share for the year ended 31 December 2006.
- Resolution 3** To approve Directors' fees of S\$378,100 for 2006 (2005 : S\$245,000).
- Resolution 4** To re-appoint Mr Wee Cho Yaw, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 5** To re-appoint Mr Alan Choe Fook Cheong, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 6** To re-appoint Mr Lim Kee Ming, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 7** To re-elect Mr Gwee Lian Kheng, who retires by rotation pursuant to Article 94 of the Company's Articles of Association, as Director of the Company.
- Resolution 8** To re-elect Mr Wee Ee Chao, who was appointed during the year and retires pursuant to Article 99 of the Company's Articles of Association, as Director of the Company.
- Resolution 9** To re-elect Mr Wee Ee Lim, who was appointed during the year and retires pursuant to Article 99 of the Company's Articles of Association, as Director of the Company.
- Resolution 10** To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without amendments, the following resolutions as Ordinary Resolutions:

- Resolution 11** "That approval be and is hereby given to the Directors of the Company to offer and grant options in accordance with the regulations of the UOL 2000 Share Option Scheme (the "2000 Scheme") and to allot and issue such number of shares as may be issued pursuant to the exercise of share options under the 2000 Scheme, provided always that the aggregate number of shares to be issued pursuant to the 2000 Scheme shall not exceed fifteen per cent (15%) of the issued share capital of the Company from time to time."
- Resolution 12** "That 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,

NOTICE OF ANNUAL GENERAL MEETING (*continued*)

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 fifty per cent (50%) of the issued share capital of the Company (as calculated in accordance with 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 twenty per cent (20%) of the issued share capital of the Company (as calculated in accordance with 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 paragraph (1) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Secretary

Singapore, 4 April 2007

Notes

A member entitled to attend and vote at the 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. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591 not less than 48 hours before the time for holding the Meeting.

Notes to Resolutions

1. In relation to **Resolution 4**, Mr Wee Cho Yaw will, upon re-appointment, continue as the Chairman of the Board of Directors and the Executive Committee, and as a member of the Remuneration and Nominating Committees. He is considered a non-independent director.
2. In relation to **Resolution 5**, Mr Alan Choe Fook Cheong will, upon re-appointment, continue as the Chairman of the Nominating Committee and as a member of the Executive, Audit and Remuneration Committees. He is considered an independent director.
3. In relation to **Resolution 6**, Mr Lim Kee Ming will, upon re-appointment, continue as the Chairman of the Audit and Remuneration Committees, and as a member of the Nominating Committee. He is considered an independent director.
4. In relation to **Resolution 7**, Mr Gwee Lian Kheng will, upon re-election, continue as a member of the Executive Committee. He is considered an executive non-independent director.
5. In relation to **Resolution 8**, the personal particulars of Mr Wee Ee Chao can be found on the "Board of Directors" section in the Summary Financial Report/Annual Report. Mr Wee Ee Chao will, upon re-election, continue as a member of the Executive Committee. He is considered a non-independent director.
6. In relation to **Resolution 9**, the personal particulars of Mr Wee Ee Lim can be found on the "Board of Directors" section in the Summary Financial Report/Annual Report. He is considered a non-independent director.
7. **Resolution 11** is to empower the Directors to offer and grant options and to issue shares in the share capital of the Company pursuant to the 2000 Scheme, which was approved at the Extraordinary General Meeting of the Company on 23 May 2000. A copy of the Rules governing the 2000 Scheme is available for inspection by shareholders during normal office hours at the Company's Registered Office.
8. **Resolution 12** is to empower the Directors from the date of that meeting until the next Annual General Meeting to issue, or agree to issue shares and/or grant instruments that might require shares to be issued, up to an amount not exceeding fifty per cent (50%) of the issued share capital of the Company (calculated as described) of which the total number of shares to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent (20%) of the share capital of the Company (calculated as described).

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PROXY FORM

Annual General Meeting

UOL Group Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 196300438C

IMPORTANT: FOR CPF INVESTORS ONLY

1. For investors who have used their CPF monies to buy UOL shares, this Report is sent to them at the request of their CPF Approved Nominee and is sent SOLELY 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 Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register with the Company's Registrar (Please see Note No. 10 on the reverse).

I/We, _____ (Name)

of _____ (Address)

being a member/members of UOL GROUP LIMITED ("the Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (please delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll, at the **44th Annual General Meeting** of the Company to be held at Parkroyal on Beach Road, Plaza Ballroom, Level 4, 7500A Beach Road, Singapore 199591 on Wednesday, 25 April 2007 at 3.45 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolution Number	Ordinary Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For *	Against *	No. of Votes For **	No. of Votes Against **
1.	Financial Statements and Reports of the Directors and the Auditors				
2.	Final Dividend and Special Dividend				
3.	Directors' Fees				
4.	Re-appointment (Mr Wee Cho Yaw)				
5.	Re-appointment (Mr Alan Choe Fook Cheong)				
6.	Re-appointment (Mr Lim Kee Ming)				
7.	Re-election (Mr Gwee Lian Kheng)				
8.	Re-election (Mr Wee Ee Chao)				
9.	Re-election (Mr Wee Ee Lim)				
10.	Auditors and their Remuneration				
11.	Authority to Issue Shares (Share Option)				
12.	Authority to Issue Shares (General)				

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

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

Dated this _____ day of _____ 2007

Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	
Total	

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

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

Notes:

1. Save for members which are nominee companies, a member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy.
3. This instrument of proxy must be signed by the appointor or his/her duly authorised attorney or, if the appointor is a body corporate, signed by its duly authorised officer or attorney or executed under its common seal.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body, an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on behalf of such body corporate.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the Meeting.
6. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time fixed for holding the Meeting.
7. Please insert the number of shares held by you and registered in your name in the Register of Members and in the Depository Register of The Central Depository (Pte) Limited. If no number is inserted, the instrument of proxy will be deemed to relate to all the shares held by you.
8. Any alteration made in this form must be initialed by the person who signs it.
9. The Company shall be entitled to reject this instrument of proxy 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 this instrument of proxy. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.
10. Agent Banks acting on the request of the CPF Investors who wish to attend the Meeting as Observers are requested to submit in writing, a list with details of the investors' names, NRIC/passport numbers, addresses and number of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company's Registrar, Lim Associates (Pte) Ltd at 3 Church Street, #08-01 Samsung Hub, Singapore 049483, at least 48 hours before the time fixed for holding the Meeting.

2ND FOLD HERE

PROXY FORM

Please Affix
Postage
Stamp

The Company Secretary
UOL GROUP LIMITED
101 Thomson Road
#33-00 United Square
Singapore 307591

3RD FOLD HERE

FOLD THIS FLAP FOR SEALING

REQUEST FORM

UOL GROUP LIMITED

(incorporated in the Republic of Singapore)
Company Registration No. 196300438C

4 April 2007

Dear Shareholder

This notice accompanies a copy of the Summary Financial Report ("SFR") of UOL Group Limited ("UOL") for the financial year ended 31 December 2006 ("FY2006"). The SFR contains a review of UOL and its subsidiaries (the "Group"), and a summary of the audited financial statements of UOL and the Group for FY2006.

The full audited financial statements of UOL and the Group for FY2006 are set out in the Annual Report ("AR"), which is a separate report available to all registered shareholders of UOL at no cost upon request. The AR for FY2006 will also be available on our website at www.uol.com.sg.

We will be sending you SFR, instead of AR, for as long as you are a shareholder, unless you indicate otherwise by completing and returning to us the Request Form below.

For shareholders receiving this SFR for the first time and for shareholders who did not respond to us previously, if you wish to receive a copy of the AR for FY2006 and for future financial years, please complete the Request Form below by ticking the appropriate box and return it to us. **If we do not receive your Request Form, it would indicate that you do not wish to receive the AR for FY2006 and for future financial years.**

For shareholders who wish to change any previous request, please tick the appropriate box in the Request Form below and return it to us. **If we do not receive your Request Form, it would indicate that there is no change to your wishes.** Your latest request will supersede the earlier requests received by us.

Please return any completed Request Form to us by 10 April 2007.

Yours faithfully
for UOL Group Limited

Foo Thiam Fong Wellington
Secretary

REQUEST FORM

TO: UOL GROUP LIMITED

(Note: Please tick only ONE box. Incomplete or incorrectly completed forms will not be processed.)

- ☐ 1. I/We wish to receive the Annual Report for FY2006.
- ☐ 2. I/We wish to receive the Annual Report for FY2006 as well as the Annual Reports and Summary Financial Reports for future financial years, for as long as I am/we are shareholder(s).
- ☐ 3. I/We do not wish to receive the Annual Report for FY2006 as well as the Annual Reports and Summary Financial Reports for future financial years.

Name of shareholder(s): _____ NRIC/Passport* No(s): _____

Address: _____

The shares are held by me under or through :

- ☐ CDP Securities Account Number +

1	6	8	1	-					-				
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- ☐ CPFIS Account #
- ☐ Physical scrips

Signature(s): _____

Date: _____

* Please delete where inapplicable.

+ This applies only if your shares are registered with The Central Depository (Pte) Limited.

Please note that if your shares are held under CPFIS, you will be included under the first option only.

1ST FOLD HERE

2ND FOLD HERE

3RD FOLD AND GLUE OVERLEAF. DO NOT STAPLE.

BUSINESS REPLY SERVICE
PERMIT NO. 07727



UOL GROUP LIMITED
c/o The Central Depository (Pte) Limited
4 Shenton Way, #02-01, SGX Centre 2
Singapore 068807

**Postage will be
paid by addressee.
For posting in
Singapore only.**



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