

**CIRCULAR DATED 13 OCTOBER 2015**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**This Circular is issued by Sin Heng Heavy Machinery Limited (the “Company”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular, the Notice of EGM (as defined herein) and the Proxy Form (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

For investors who have used their Central Provident Fund (“CPF”) monies to buy shares in the capital of the Company, this Circular is forwarded to them at the request of their CPF-approved nominees and is sent solely for information only.

The Singapore Exchange Securities Trading Limited (“SGX-ST”) assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.



**SIN HENG HEAVY MACHINERY LIMITED**

(Incorporated in the Republic of Singapore on 30 March 1981)  
(Company Registration No. 198101305R)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED CONSOLIDATION OF EVERY FIVE (5) EXISTING ORDINARY SHARES INTO ONE (1) CONSOLIDATED SHARE IN THE CAPITAL OF THE COMPANY**

**IMPORTANT DATES AND TIMES**

Last date and time for lodgment of Proxy Form : 26 October 2015 at 10.00 a.m.

Date and time of Extraordinary General Meeting : 28 October 2015 at 10.00 a.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.30 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : Raffles Marina, No. 10, Tuas West Drive  
Singapore 638404

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## CONTENTS

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	<b>Page</b>
DEFINITIONS .....	3
LETTER TO SHAREHOLDERS .....	6
1. INTRODUCTION .....	6
2. THE PROPOSED SHARE CONSOLIDATION .....	6
3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS .....	12
4. DIRECTORS' RECOMMENDATIONS.....	13
5. EXTRAORDINARY GENERAL MEETING .....	13
6. NOTICE OF BOOKS CLOSURE DATE .....	13
7. DIRECTORS' RESPONSIBILITY STATEMENT .....	13
8. ACTION TO BE TAKEN BY SHAREHOLDERS.....	13
9. DOCUMENTS AVAILABLE FOR INSPECTION .....	14
NOTICE OF EXTRAORDINARY GENERAL MEETING .....	15

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated:

“Act”	: The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Articles”	: The articles of association of the Company, as amended or modified from time to time
“Books Closure Date”	: The time and date, to be determined by the Directors, at and on which the Register of Members and the share transfer book of the Company will be closed to determine the entitlements of Shareholders to the Consolidated Shares under the Proposed Share Consolidation
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This Circular to Shareholders dated 13 October 2015
“Company”	: Sin Heng Heavy Machinery Limited
“Consolidated Shares”	: Shares in the capital of the Company after completion of the Proposed Share Consolidation
“Directors” or “Board”	: The directors of the Company as at the date of this Circular
“Effective Trading Date”	: The date on which the Shares will trade on the SGX-ST in board lots of 100 Consolidated Shares, as referenced in paragraphs 2.3, 2.4 and 2.5
“EGM”	: The forthcoming extraordinary general meeting of the Company to be held on 28 October 2015
“EPS”	: Earnings per Share
“Existing Shares”	: Shares in the capital of the Company prior to the Proposed Share Consolidation
“Group”	: The Company and its subsidiaries
“Latest Practicable Date”	: 28 September 2015, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	: The listing manual of the SGX-ST as amended or modified from time to time
“Market Day”	: A day on which the SGX-ST is open for securities trading
“Memorandum”	: The memorandum of association of the Company, as amended or modified from time to time
“MTP Requirement”	: The minimum trading price of S\$0.20 as a continuing listing requirement for Mainboard-listed issuers, as defined in paragraph 2.2 of this Circular

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## DEFINITIONS

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“Notice of EGM”	: The notice of the forthcoming EGM as set out in page 15 of this Circular
“NTA”	: Net tangible assets
“Proposed Share Consolidation”	: The proposed consolidation of every five (5) Existing Shares held by Shareholders at the Books Closure Date into one (1) Consolidated Share, on the terms set out in this Circular
“Proxy Form”	: The proxy form enclosed to the Notice of EGM
“Register of Members”	: The register of members of the Company
“Securities Accounts”	: Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Registrar”	: Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	: Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose securities accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective securities accounts
“Shares”	: Ordinary shares in the issued share capital of the Company
“Substantial Shareholder”	: A person who holds directly or indirectly five per cent. (5%) or more of the total issued share capital of the Company
“S\$” and “cents”	: Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
“%” or “per cent.”	: Per centum or percentage

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Act.

The terms “control”, “Market Day” and “subsidiary” shall have the meanings ascribed to them respectively in the Listing Manual unless otherwise defined.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

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## DEFINITIONS

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Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in this Circular, shall have the same meaning assigned to it under the Act or any statutory modification thereof, as the case may be. Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Circular between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

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## LETTER TO SHAREHOLDERS

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### **SIN HENG HEAVY MACHINERY LIMITED**

(Incorporated in the Republic of Singapore on 30 March 1981)

(Company Registration No. 198101305R)

#### **Directors:**

Tan Ah Lye (*Chairman and Non-Executive Director*)

Tan Cheng Soon Don (*Managing Director*)

Tan Cheng Guan (*Executive Director*)

Tan Cheng Kwong (*Executive Director*)

Hideki Okada (*Executive Director*)

Hiroshi Takahashi (*Executive Director*)

Yoshihiro Kawahara (*Non-Executive Director*)

Hideyuki Morita (*Non-Executive Director*)

Soh Sai Kiang (*Lead Independent Director*)

Tan Keh Yan, Peter (*Independent Director*)

Yeo Yun Seng, Bernard (*Independent Director*)

Renny Yeo Ah Kiang (*Independent Director*)

#### **Registered Office:**

26 Gul Road  
Singapore 629346

13 October 2015

To: The Shareholders of Sin Heng Heavy Machinery Limited

Dear Sir/Madam,

#### **1. INTRODUCTION**

- 1.1** The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval at the forthcoming EGM for the Proposed Share Consolidation.
- 1.2** This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any person (other than the Shareholders to whom this Circular is despatched by the Company) or for any other purpose.

#### **2. THE PROPOSED SHARE CONSOLIDATION**

##### **2.1 Introduction**

The Company is proposing to seek Shareholders' approval to undertake the Proposed Share Consolidation pursuant to which the Company proposes to consolidate every five (5) Existing Shares into one (1) Consolidated Share as at the Books Closure Date (to be determined by the Directors as they deem fit in their absolute discretion), fractional entitlements to be disregarded or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

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## LETTER TO SHAREHOLDERS

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Accordingly, subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the EGM, Shareholders' holding of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date. After the Books Closure Date, every five (5) Existing Shares registered in the name of each Shareholder will be consolidated to constitute one (1) Consolidated Share.

**Shareholders should note that the number of Consolidated Shares which they will be entitled to, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Share arising from the Proposed Share Consolidation shall be disregarded.**

**As the net proceeds from any sale of fractions of Consolidated Shares arising from the Proposed Share Consolidation are likely to be less than the administrative costs and expenses involved in despatching such proceeds to Shareholders, fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.**

**Shareholders should also note that in the event the Directors, in their absolute discretion, decide to cancel the aggregated fractions of Consolidated Shares arising from the Proposed Share Consolidation, affected Shareholders will not be paid for such fractional shares cancelled and not issued.**

Each Consolidated Share will rank *pari passu* with each other, and will be traded in board lots of 100 Consolidated Shares.

The Proposed Share Consolidation will not involve any diminishing of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation.

As at the Latest Practicable Date, the Company has a share capital of S\$41,846,000 divided into 574,445,000 Existing Shares, and the Company's six-month volume weighted average Share price is S\$0.149. For illustrative purposes only, (i) on the assumption that the Company will have an issued and paid-up share capital of S\$41,846,000 comprising 114,889,000 Consolidated Shares upon completion of the Proposed Share Consolidation; and (ii) based on the Company's six-month volume weighted average Share price of S\$0.149 as at the Latest Practicable Date, upon completion of the Proposed Share Consolidation, the theoretical adjusted six-month volume weighted average Share price based on the Consolidated Shares will be S\$0.745.

### 2.2 Rationale for the Proposed Share Consolidation

A minimum trading price of S\$0.20 as a continuing listing requirement for Mainboard-listed issuers (the "**MTP Requirement**") was implemented with effect from March 2015. A transition period of 12 months from the date of implementation will be given to affected issuers to undertake corporate actions to meet the MTP Requirement. Those who are unable to meet the MTP Requirement at the first review date in March 2016 or any of the subsequent quarterly reviews will be placed on the SGX-ST watch-list (the "**Watch-list**"). Affected issuers on the Watch-list that are unable to comply with the MTP Requirement will be delisted after a further 36-month cure period which ends on 28 February 2019.

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## LETTER TO SHAREHOLDERS

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The Board intends to fully comply with the MTP Requirement as part of its continuing listing obligations, and has therefore proposed to undertake the Proposed Share Consolidation. Having regard to historical trading prices and possible fluctuations in trading prices, the Board believes that a sufficient buffer has been provided in arriving at the proposed share consolidation ratio of five (5) Existing Shares into one (1) Consolidated Share.

**Shareholders should, however, note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.**

### 2.3 Conditions for the Proposed Share Consolidation

Pursuant to Article 53 of the Articles, the implementation of the Proposed Share Consolidation is subject to Shareholders' approval by way of an ordinary resolution at the EGM.

On 18 September 2015, the Company announced that it had received the in-principle approval from the SGX-ST for the listing and quotation of the Consolidated Shares on the Mainboard of the SGX-ST, subject to:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) Shareholders' approval for the Proposed Share Consolidation at the EGM.

The approval in-principle granted by the SGX-ST is only for the listing and quotation of the Consolidated Shares on the Official List of the SGX-ST, and is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, and/or the Group.

Assuming that the abovementioned approval of the Shareholders is duly obtained at the EGM, the Directors will fix the Books Closure Date at such date and time as they deem fit in the interests of the Company. Once the Directors have fixed the Books Closure Date, an announcement will be made by the Company in due course to notify Shareholders of the Books Closure Date and the Effective Trading Date.

However, Shareholders should note that whilst the Board is seeking Shareholders' approval for the Proposed Share Consolidation, the Directors may decide not to proceed with the Proposed Share Consolidation if the Directors are of the view that, after taking into account all relevant factors, it is not beneficial to the Company to do so. In such a case, an announcement will be made by the Company to notify Shareholders of the reasons why the Directors have decided not to proceed with the Proposed Share Consolidation.

### 2.4 Updating of Register of Members and Depository Register

If Shareholders at the EGM approve the Proposed Share Consolidation, Shareholders' entitlement of the Consolidated Shares will be determined on the Books Closure Date. The Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders, and the Shares will begin trading in board lots of 100 Consolidated Shares on the Effective Trading Date.



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## LETTER TO SHAREHOLDERS

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### 2.4.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the Existing Shares in their own names ("**Old Share Certificates**") and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP must deposit their Old Share Certificates, together with duly executed instruments of transfer in favour of CDP, no later than 12 Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of share certificates for Consolidated Shares ("**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Books Closure Date must first deliver their Old Share Certificates to the Share Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 for cancellation and issuance of New Share Certificates in replacement thereof as described below.

### 2.4.2 Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least 12 Market Days prior to the Books Closure Date need not take any further action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible after they have been notified of the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of the relevant Shareholders at their own risk within 10 Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Members.

Shareholders shall deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Books Closure Date.

### 2.4.3 Share Certificates Not Valid for Settlement of Trades on the SGX-ST

Shareholders are reminded that their physical share certificates are not valid for settlement of trading in the Shares on the SGX-ST, as the Company is under a book-entry (scripless)

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## LETTER TO SHAREHOLDERS

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settlement system, but will continue to be accepted by the Share Registrar for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period. The New Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be *prima facie* evidence of legal title.

### 2.5 Trading Arrangements for the Consolidated Shares

Subject to the approval for the Proposed Share Consolidation by Shareholders at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Shares will be in board lots of 100 Consolidated Shares. Accordingly, five (5) Existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the Existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

### 2.6 Trading Arrangements for Odd Lots

All fractional entitlements arising upon the implementation of the Proposed Share Consolidation will be aggregated or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Existing Shares are currently traded in board lots of 100 Shares. Following the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of 100 Shares).

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots on the SGX-ST should note that the unit share market allows trading in odd lots with a minimum size of one (1) Consolidated Share on the SGX-ST. The unit share market allows trading in odd lots in any quantity less than one (1) board lot of the underlying Consolidated Shares.

The market for trading of such odd lots of Consolidated Shares may be illiquid. As odd lots of Consolidated Shares can be traded on the unit share market, no separate arrangements will be made for the trading of such odd lots.

Shareholders who continue to hold odd lots of less than 100 Consolidated Shares after the Proposed Share Consolidation may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Consolidated Shares.

### 2.7 Financial Effects of the Proposed Share Consolidation

For illustrative purposes only and based on the assumptions set out below and the audited accounts of the Group as at 30 June 2015, the financial effects of the Proposed Share Consolidation on the Group are set out below:

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## LETTER TO SHAREHOLDERS

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### 2.7.1 Assumptions

For the purposes of this paragraph 2.7, the following assumptions apply:

- (a) the *pro forma* financial effects of the Proposed Share Consolidation on the share capital, NTA per Share, EPS and gearing of the Group are illustrative and do not reflect the actual future financial situation of the Group after the completion of the Proposed Share Consolidation;
- (b) the number of Shares for the financial effects relating to the NTA per Share and the share capital of the Company are based on 574,445,000 issued Shares as at 30 June 2015; and
- (c) the Proposed Share Consolidation had been completed on 30 June 2015.

### 2.7.2 Share Capital

	<u>As at 30 June 2015</u>	
	<b>Before the Proposed Share Consolidation</b>	<b>After the Proposed Share Consolidation</b>
Issued and Paid Up Capital (S\$'000)	41,846	41,846
Number of Shares ('000)	574,445	114,889

### 2.7.3 NTA per Share

	<u>As at 30 June 2015</u>	
	<b>Before the Proposed Share Consolidation</b>	<b>After the Proposed Share Consolidation</b>
NTA (S\$'000)	132,310	132,310
Number of Shares ('000)	574,445	114,889
NTA per Share (cents)	23.03	115.16

### 2.7.4 EPS

	<u>As at 30 June 2015</u>	
	<b>Before the Proposed Share Consolidation</b>	<b>After the Proposed Share Consolidation</b>
Earnings attributable to Shareholders (S\$'000)	11,436	11,436
Weighted average number of Shares ('000)	573,985	114,797
EPS (cents)	1.99	9.96

## LETTER TO SHAREHOLDERS

### 2.7.5 Gearing

The Proposed Share Consolidation will not affect the gearing of the Company and of the Group.

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 The interests of Directors and Substantial Shareholders as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Directors</b>				
Tan Ah Lye	–	–	161,366,000 <sup>(2)</sup>	28.12
Tan Cheng Soon Don	–	–	–	–
Tan Cheng Guan	–	–	–	–
Tan Cheng Kwong	–	–	–	–
Hideki Okada	–	–	–	–
Hiroshi Takahashi	–	–	–	–
Yoshihiro Kawahara	–	–	–	–
Hideyuki Morita	–	–	–	–
Soh Sai Kiang	–	–	–	–
Tan Keh Yan, Peter	–	–	–	–
Yeo Yun Seng, Bernard	–	–	–	–
Renny Yeo Ah Kiang	–	–	–	–
<b>Substantial Shareholders</b>				
TAL Holdings Pte. Ltd.	161,366,000	28.12	–	–
Toyota Tsusho Corporation	154,750,000	26.97	–	–
Tan Ah Lye	–	–	161,366,000 <sup>(2)</sup>	28.12
Toyota Motor Corporation	–	–	154,750,000 <sup>(3)</sup>	26.97

Notes:

- (1) The above percentages are calculated based on the Company's share capital comprising 574,445,000 Shares less 600,900 Shares held as treasury shares.
- (2) Mr. Tan Ah Lye owns more than 20% of the issued and fully paid-up capital of TAL Holdings Pte. Ltd.. Pursuant to Section 7 of the Act, Mr. Tan Ah Lye is deemed to have an interest in the Shares held by TAL Holdings Pte. Ltd..
- (3) Daiwa Capital Markets Singapore Ltd is holding Shares as a nominee on behalf of Toyota Tsusho Corporation. Pursuant to Section 7 of the Act, Toyota Motor Corporation by virtue of its holdings of more than 20% of the votes attached to the voting shares in the capital of Toyota Tsusho Corporation, is deemed to have an interest in the Shares held by Toyota Tsusho Corporation.

3.2 Save for their respective shareholding interests in the Company, none of the Directors and Substantial Shareholders have any interest, direct or indirect, in the Proposed Share Consolidation.

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## LETTER TO SHAREHOLDERS

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### 4. DIRECTORS' RECOMMENDATIONS

The Directors, having carefully considered, *inter alia*, the rationale and terms of the Proposed Share Consolidation, are of the view that the Proposed Share Consolidation is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Share Consolidation as set out in the Notice of EGM.

### 5. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Raffles Marina, No. 10, Tuas West Drive, Singapore 638404 on 28 October 2015 at 10.00 a.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held at 9.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without modification the ordinary resolution for the Proposed Share Consolidation as set out in the Notice of EGM.

### 6. NOTICE OF BOOKS CLOSURE DATE

The Books Closure Date for the purpose of determining Shareholders' entitlements pursuant to the Proposed Share Consolidation will be announced in due course.

### 7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Share Consolidation and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form enclosed to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Share Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not later than 48 hours before the time fixed for holding the EGM.

The completion and return of a Proxy Form by a Shareholder do not preclude him from attending and voting in person at the EGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the EGM.

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## LETTER TO SHAREHOLDERS

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### 9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 26 Gul Road Singapore 629346, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of the Company; and
- (b) the annual report of the Company for the financial year ended 30 June 2015.

Yours faithfully,

Tan Cheng Soon Don  
Managing Director  
For and on behalf of the Board of Directors of  
**Sin Heng Heavy Machinery Limited**

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SIN HENG HEAVY MACHINERY LIMITED

(Incorporated in the Republic of Singapore on 30 March 1981)

(Company Registration No. 198101305R)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of Sin Heng Heavy Machinery Limited (the “**Company**”) will be held at Raffles Marina, No. 10, Tuas West Drive, Singapore 638404 on Wednesday, 28 October 2015 at 10.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the annual general meeting of the Company to be held at 9:30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following ordinary resolution:

#### **Ordinary Resolution: Proposed Share Consolidation**

That:

- (a) the proposed consolidation of every five (5) ordinary shares (the “**Shares**”) of the Company as at a books closure date to be determined by the directors of the Company (the “**Directors**”), into one (1) ordinary Share (the “**Consolidated Share**”) be and is hereby approved;
- (b) any fraction of a Consolidated Share which may arise from the consolidation pursuant to paragraph (a) above shall be disregarded and all fractions of the Consolidated Shares to which holders of the issued Shares would otherwise be entitled to shall be aggregated or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
- (c) the Directors be and are hereby authorised to fix the books closure date and the date on which the Shares will trade on the Mainboard of the Singapore Exchange Securities Trading Limited in board lots of 100 Consolidated Shares, in their absolute discretion as they deem fit; and
- (d) the Directors and each of them be and are hereby authorised to complete and do all acts and things (including executing such documents as may be required) as they may consider necessary, desirable or expedient for the purposes of or to give effect to this resolution and implement any of the foregoing as they think fit and in the interests of the Company.

By Order of the Board

Tan Cheng Soon Don  
Managing Director  
Singapore  
13 October 2015

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notes:-

- (1) A member of the Company entitled to attend and vote at EGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead and a proxy need not be a member of the Company.
- (2) Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies.
- (3) A corporation which is a member may appoint an authorized representative or representatives in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore to attend and vote for and on behalf of such corporation.
- (4) The instrument appointing a proxy must be deposited at the registered office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the EGM of the Company.

### **Personal Data Privacy:**

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



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# SIN HENG HEAVY MACHINERY LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 198101305R)

*(Please read the notes overleaf before completing this Proxy Form)*

## PROXY FORM

### IMPORTANT

1. For investors who have used their CPF monies to buy Sin Heng Heavy Machinery Limited's shares, this Circular is forwarded to them at the request of their CPF Approved Nominees 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 an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.
4. Personal Data Privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 13 October 2015.

I/We \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a member/members of SIN HENG HEAVY MACHINERY LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion Of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion Of Shareholdings (%)

and/or failing him/her, the Chairman of the Extraordinary General Meeting ("EGM") of the Company as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the EGM and, if necessary, to demand a poll at the EGM of the Company to be held at Raffles Marina, No. 10, Tuas West Drive, Singapore 638404 on Wednesday, 28 October 2015 at 10.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place), and at any adjournment thereof.

I/We have indicated with an "X" against the resolution set out in the Notice of Extraordinary General Meeting and summarised below how I/we wish my/our proxy/proxies to vote. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion.

Ordinary Resolution	No. of Votes For*	No. of Votes Against*
To approve the Proposed Share Consolidation		

\* If you wish to exercise all your votes "For" or "Against", please indicate with "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
Signature(s) of Shareholder(s) or  
Common Seal of Corporate Shareholder

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

**Notes:**

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at the EGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member of the Company appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy.
4. A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore to attend and vote for and on behalf of such corporation.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the EGM of the Company.

**General:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of member of the Company whose shares are deposited with The Central Depository (Pte) Limited, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.