



新興重型機械有限公司  
**SIN HENG HEAVY MACHINERY LIMITED**

No. 26, Gul Road, Jurong Industrial Estate, Singapore 629346

Tel: (65) 6-861 6111, Fax: (65) 6-863 8616

Website: [www.sinheng.com.sg](http://www.sinheng.com.sg)

CO REG. NO: 198101305R

GST REG. NO: M2-0043237-1

### USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The Board of Directors of Sin Heng Heavy Machinery Limited (the “**Company**”) refers to the initial public offering of the Company’s shares (the “**IPO**”) and the Company’s prospectus dated 25 January 2010 (the “**Prospectus**”).

The Company wishes to provide an update on the use of net proceeds raised from the IPO (the “**IPO Proceeds**”). In accordance with the use of proceeds described in the section “Use of Proceeds” of the Prospectus, the Company has utilised S\$12.8 million of the IPO Proceeds comprising S\$8.7 million for the funding of the renewal and expansion of equipment rental fleet in Singapore, S\$2 million for the funding potential acquisitions, joint ventures and/or strategic alliances, S\$0.8 million for the funding of the expansion of equipment rental fleets in Malaysia and Vietnam, and S\$1.3 million for expenses incurred in connection with the invitation. More details are tabulated below.

Intended Use as per the Prospectus	Amount Allocated (S\$'000) (A)	Amount Utilised Per Current Announcement (S\$'000) (B)	Cumulative Amount Utilised to date (S\$'000) (C)	Balance Amount (S\$'000) (A)-(C)
Funding the renewal and expansion of equipment rental fleet in Singapore	10,000	432	8,716	1,284
Funding potential acquisitions, joint ventures and/or strategic alliances	2,000	-	2,000	-
Funding the expansion of equipment rental fleets in Malaysia and Vietnam	5,000	378	783	4,217
General working capital requirements	4,554	-	-	4,554
Funding expenses incurred in connection with the Invitation	1,326	-	1,326	-
<b>Net IPO Proceeds</b>	<b>22,880</b>	<b>810</b>	<b>12,825</b>	<b>10,055</b>

By Order of the Board

Tan Cheng Soon Don  
Managing Director

10 February 2011

---

*DBS Bank Ltd. is the Joint Issue Manager, Underwriter and Placement Agent and Stirling Coleman Capital Limited is the Joint Issue Manager for the Company's listing on the SGX-ST.*