

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of Sin Heng Heavy Machinery Limited (the “**Company**”) will be held by way of electronic means on Friday, 30 April 2021 at 10.00 a.m. to transact the business as set out below:

AS ORDINARY BUSINESSES

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2020, together with the Auditors’ Report thereon.

Resolution 1
2. To re-elect the following Directors of the Company retiring pursuant to Regulations 89 and 96 of the Constitution of the Company:–
 - (a) Mr. Tan Ah Lye (Retiring under Regulation 89) **Resolution 2**
 - (b) Mr. Soh Sai Kiang (Retiring under Regulation 89) **Resolution 3**
 - (c) Mr. Teo Yi-Dar (Retiring under Regulation 96) **Resolution 4**
 - (d) Mr. Leong Wing Kong (Retiring under Regulation 96) **Resolution 5**

[See Explanatory Notes (i), (ii), (iii) and (iv)]
3.
 - (a) That, subject to and contingent upon passing of Resolution 3 and pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) which will take effect from 1 January 2022, Shareholders to approve the continued appointment of Mr. Soh Sai Kiang as an Independent Director of the Company, and the authority conferred by this Resolution shall remain in force until the earlier of the following: (a) the retirement or resignation of Mr. Soh Sai Kiang; or (b) the conclusion of the third AGM of the Company following the passing of this Resolution.

Resolution 6
 - (b) That, subject to and contingent upon the passing of Resolutions 3 and 6 and pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, Shareholders, excluding the directors, the chief executive officer and their respective associates, to approve the continued appointment of Mr. Soh Sai Kiang as an Independent Director of the Company, and the authority conferred by this Resolution shall remain in force until the earlier of the following: (a) the retirement or resignation of Mr. Soh Sai Kiang; or (b) the conclusion of the third AGM of the Company following the passing of this Resolution.

Resolution 7

[See Explanatory Notes (v)]
4. To declare a first and final dividend of 0.5 Singapore cents and special dividend of 4.5 Singapore cents per ordinary share tax-exempt (one-tier) for the financial year ended 31 December 2020.

Resolution 8
5. To approve the payment of Directors’ fees of S\$246,186 for the financial year ended 31 December 2020 (2019: S\$336,899).

Resolution 9

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6. To re-appoint Messrs Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

Resolution 10

7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESSES

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

8. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited**

That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in 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) options, 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 of the Company 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 pursuant to any Instrument made or granted by the Directors of the Company while this Resolution was in force,

(the "**Share Issue Mandate**")

provided that:

- (1) the aggregate number of Shares (including Shares to be issued pursuant to the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

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- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued Shares and Instruments shall be based on the number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

- (3) in exercising the Share Issue Mandate 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 Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

Resolution 11

[See Explanatory Note (vi)]

9. **Adoption of the Share Buy-back Mandate**

That:

- (a) for the purpose of the Companies Act, Chapter 50, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company ("**Shares**") (excluding treasury shares and subsidiary holdings) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) on-market purchase, transacted on the SGX-ST through the ready market on the SGX-ST trading system or through one or more duly licensed stockbrokers appointed by the Company for such purpose ("**On-Market Share Buy-Back**"); and/or

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- (ii) off-market purchase pursuant to an equal access scheme in accordance with Section 76C of the Companies Act, Chapter 50 (“**Off-Market Share Buy-Back**”),

and otherwise in accordance with all other laws and regulations, including but not limited to, the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buy-Back Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company or the date by which such Annual General Meeting is required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the proposed Share Buy-Back Mandate is revoked or varied by ordinary resolution of the Company in a general meeting;

- (c) in this Resolution:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last consecutive five (5) Market Days, on which transactions in the Shares were recorded on the SGX-ST, immediately before the date of the On-Market Share Buy-Back or, as the case may be, the date of the making of the offer pursuant to the Off-Market Share Buy-Back, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five (5) day period and the date of the making of the offer pursuant to the Off-Market Share Buy-Back; and

“**date of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Buy-Back;

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) which shall not exceed:

- (i) in the case of an On-Market Share Buy-Back, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Share Buy-Back, 120% of the Average Closing Price of the Shares; and

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"Prescribed Limit" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings as at that date); and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorized by the Share Buy-Back Mandate and/or this Resolution.

Resolution 12

[See Explanatory Note (vii)]

By Order of the Board

Ms Siau Kuei Lian
Ms Fiona Lim Pei Pei
Company Secretaries
Singapore, 8 April 2021

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Explanatory Notes:

- (i) Mr. Tan Ah Lye will, upon re-election as a Director of the Company remain as the Executive Director and Chief Executive Officer. Please refer to page 39 of the Corporate Governance Report in the Annual Report for the detailed information as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.
- (ii) Mr. Soh Sai Kiang will, upon re-election as a Director of the Company remain as an Independent Director, the Chairman of Remuneration Committee and Nominating Committee and a member of the Audit and Risk Committee and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. Please refer to pages 40 to 41 of the Corporate Governance Report in the Annual Report for the detailed information as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.
- (iii) Mr. Teo Yi-Dar will, upon re-election as a Director of the Company, remain as the Non-Executive Non-Independent Chairman, a member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee. Please refer to pages 36 to 38 of the Corporate Governance Report in the Annual Report for the detailed information as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.
- (iv) Mr. Leong Wing Kong will, upon re-election as a Director of the Company remain as an Independent Director, the Chairman of Audit and Risk Committee and a member of Remuneration Committee and Nominating Committee and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. Please refer to page 42 of the Corporate Governance Report in the Annual Report for the detailed information as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.
- (v) Resolutions 6 and 7, which are subject to the continued appointment of Mr. Soh Sai Kiang as a Director of the Company, are proposed in anticipation of Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST.

Pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, Mr. Soh Sai Kiang, having served on the Board beyond nine (9) years from the date of his first appointment, will not be considered an Independent Director on 1 January 2022 unless his appointment as an Independent Director is approved in separate resolutions by (A) all Shareholders and (B) Shareholders, excluding the directors, the chief executive officer and their respective associates. The Company is seeking at this AGM to obtain the required approval in separate resolutions by (A) by all Shareholders and (B) Shareholders, excluding the directors, the chief executive officer and their respective associates prior to 1 January 2022 as required for his continued appointment as an Independent Director of the Company. Resolutions 6 and 7 above, if passed, will enable Mr. Soh Sai Kiang to continue his appointment as an Independent Director of the Company (unless his appointment has been changed subsequent to the AGM) pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST and to Provisions 2.1 of the Code of Corporate Governance 2018 and the approvals shall remain in force until the earlier of (a) his retirement or resignation; or (b) the conclusion of the third AGM of the Company following the passing of the Resolutions 6 and 7. Resolution 6 is conditional upon Resolution 7 being duly approved, else Mr. Soh Sai Kiang will be designated as Non-Independent Director of the Company with effect from 1 January 2022 and the Board will consider other alternative including refreshment of the Board.

- (vi) Resolution 11 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards which issued and outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of shares.

- (vii) Resolution 12 above, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until 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, to repurchase ordinary shares of the Company by way of On-Market Share Buy-Back or Off-Market Share Buy-Back of up to 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in the Appendix to the Notice of the AGM dated 8 April 2021 (the "Appendix"). The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Buy-Back Mandate on the audited consolidated financial statements of the Group (as defined in the Appendix) for the financial year ended 31 December 2020 are set out in greater detail in the Appendix.

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Notes:

1. The AGM will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trust, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or audio-only stream only), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the accompanying Company's announcement dated 8 April 2021. This announcement may be accessed at the Company's website at <http://www.sinheng.com.sg> or SGX's website at <https://www.sgx.com/securities/company-announcements>.
3. Pursuant to Part 4 of the COVID-19 (Temporary Measures) Act 2020, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which, the appointment of Chairman of the Meeting as proxy for that Resolution will be treated as invalid.

The instrument appointing the Chairman of the Meeting as proxy must be deposited at the Company's share registrar's office, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 by mail or email to agm2021@sinheng.com.sg, or digital submission at <https://conveneagm.com/sg/sinheng>, in either case, by 10.00 a.m. on 28 April 2021 being not less than forty-eight (48) hours before the time appointed for holding the AGM. The Chairman of the Meeting, as proxy, need not be a member of the Company.

A member of the Company who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

4. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
5. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("**CPF Investors**") or the Supplementary Retirement Scheme ("**SRS Investors**"), and who wish to appoint the Chairman of the Meeting as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the Meeting (i.e. by 10.00 a.m. on 20 April 2021).

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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Personal Data Privacy

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the AGM of the Company and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the AGM of the Company via live audio-visual webcast or audio-only stream only, or (c) submitting any question prior to the AGM of the Company in accordance with this Notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration and analysis by the Company (or its agents or service providers) of the instruments appointing the Chairman of the Meeting as proxy for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live audio-visual webcast or audio-only stream only to observe the proceedings of the AGM of the Company and providing them with any technical assistance where necessary;
- (iii) addressing substantial and relevant questions from members received before the AGM of the Company and if necessary, following up with the relevant members in relation to such questions; and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

The member's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes, and retained for such period as may be necessary for the Company's verification and record purposes. Photographic, sound and/or video recordings of the AGM of the Company may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM of the Company. Accordingly, the personal data of a member (such as his name, his presence at the AGM of the Company and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.