



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

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CO REG. NO: 198101305R  
GST REG. NO: M2-0043237-1

(Incorporated in Singapore)  
(the “**Company**”)

## MINUTES OF ANNUAL GENERAL MEETING

<b>PLACE</b>	:	Raffles Marina, No 10, Tuas West Drive, Singapore 638404
<b>DATE</b>	:	Tuesday, 30 April 2024
<b>TIME</b>	:	10:00 a.m.
<b>PRESENT</b>	:	As set out in the attendance records maintained by the Company.
<b>IN ATTENDANCE</b>	:	As set out in the attendance records maintained by the Company.
<b>CHAIRMAN</b>	:	Mr Leong Wing Kong

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### INTRODUCTION

The Chairman welcomed the shareholders of the Company (the “**Shareholders**”) to the annual general meeting (the “**Meeting**”) and proceeded to introduce the members of the Board of Directors.

The Chairman also introduced the Auditors (Messrs Deloitte & Touche LLP), Company Secretarial Agent (In.Corp Corporate Service Pte. Ltd.), Share Registrar (Boardroom Corporate & Advisory Services Pte. Ltd.), polling agent (Complete Corporate Services Pte Ltd) and scrutineer (Moore Stephens LLP) to those present at the Meeting.

### QUORUM

As a quorum was present, the Chairman called the Meeting to order at 10:00 a.m..

### NOTICE

The Chairman informed that all pertinent information relating to the proposed resolutions tabled for the Meeting were set out in the Notice of Meeting dated 15 April 2024 and its Appendix, together with the Annual Report for the financial year ended 31 December 2023 published on the SGXNet and the Company’s website on 12 April 2024 and had been despatched to the Shareholders within the statutory period. With the consent of the Meeting, the notice convening the Meeting was taken as read.

### QUESTIONS AND ANSWERS

The Chairman informed the Shareholders that they were given the opportunity to submit or email their questions to the Company prior to the Meeting. It has not received any questions from Shareholders in relation to the agenda of the Meeting by the submission deadline (i.e. by 23 April 2024).

During the course of this Meeting, Shareholders were also invited to raise questions relating to the resolutions when they were proposed.

## CONDUCT OF POLL

All proxy forms lodged had been checked and verified by the polling agent and scrutineers, and found to be in order.

The Chairman informed that in his capacity as Chairman, he had been appointed as a proxy by certain shareholders who had directed him to vote for or against certain resolutions. Hence, the Chairman will vote the resolutions in accordance with the wishes of the shareholders who had appointed him as proxy before the Meeting.

In compliance with Regulation 67 of the Company's Constitution and Rule 730A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Chairman directed all resolutions at the Meeting, were voted by way of poll and polling shall be conducted via a wireless handheld device.

Complete Corporate Services Pte Ltd has been appointed as the Polling Agent and Moore Stephens LLP has been appointed as Scrutineer.

The Chairman handed over to Complete Corporate Services Pte. Ltd. to explain the poll voting process. After the explanation on the poll voting procedures, the Chairman proceeded with the formal business of the Meeting.

## ORDINARY BUSINESSES:

### 1. RESOLUTION 1 - DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

The first agenda of the Meeting was to receive and adopt the Directors' Statement and Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2023, together with the Auditors' Report thereon.

The Chairman invited Shareholders to raise enquiries on the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2023, together with the Independent Auditor's Report thereon.

Questions raised by the shareholders were addressed by the Directors of the Company. The section on these Q&A is attached hereto as Appendix 1.

There being no further question raised by Shareholders, the Chairman informed the Meeting that Resolution 1 on the agenda was duly proposed and seconded, and to put the following motion to the vote:

#### **Resolution 1**

**"RESOLVED** that the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2023, together with the Auditors' Report thereon, be received and adopted."

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
59,416,400	59,416,400	100.00	0	0.00

Based on the above result, the Chairman declared the motion carried.

**2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR: MR TAN CHENG GUAN**

Mr Tan Cheng Guan, a Director of the Company retiring pursuant to Regulation 89 of the Constitution of the Company, had consented to continue in the office. The Meeting noted that Mr Tan Cheng Guan, upon being duly re-elected as a Director of the Company, would remain as the Executive Director of the Company.

The Chairman informed the Meeting that Resolution 2 on the agenda was to put the following motion to the vote:

**Resolution 2**

**“RESOLVED** that Mr Tan Cheng Guan be re-elected as a Director of the Company.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
59,400,460	59,388,060	99.98	12,400	0.02

Based on the above result, the Chairman declared the motion carried.

**3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR: MR LIM KENG HOE**

Mr Lim Keng Hoe, a Director of the Company retiring pursuant to Regulation 89 of the Constitution of the Company, had consented to continue in the office. The Meeting noted that Mr Lim Keng Hoe, upon being duly re-elected as a Director of the Company, would remain as the Independent Director, the Chairman of Remuneration Committee and Nominating Committee and a member of Audit and Risk Committee of the Company. Mr Lim Keng Hoe is considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST.

The Chairman informed the Meeting that Resolution 3 on the agenda was to put the following motion to the vote:

**Resolution 3**

**“RESOLVED** that Mr Lim Keng Hoe be re-elected as a Director of the Company.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
58,054,060	58,041,660	99.98	12,400	0.02

Based on the above result, the Chairman declared the motion carried.

**4. RESOLUTION 4 – PAYMENT OF PROPOSED FIRST AND FINAL DIVIDEND AND SPECIAL DIVIDEND**

The Board had recommended the payment of a first and final dividend and special dividend tax-exempt (one-tier) for the financial year ended 31 December 2023.

The Chairman informed the Meeting that Resolution 4 on the agenda was to put the following motion to the vote:

**Resolution 4**

**“RESOLVED** that the payment of first and final dividend of 1.0 Singapore cents and special dividend of 4.0 Singapore cents per ordinary share tax-exempt (one-tier) for the financial year ended 31 December 2023, be approved.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
59,409,700	59,409,700	100.00	0	0.00

Based on the above result, the Chairman declared the motion carried.

**5. RESOLUTION 5 – PAYMENT OF DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Board had recommended the payment of S\$135,000 as Directors’ fees for the financial year ended 31 December 2023.

The Chairman informed the Meeting that Resolution 5 on the agenda was to put the following motion to the vote:

**Resolution 5**

**“RESOLVED** that the payment of Directors’ Fees of S\$135,000 for the financial year ended 31 December 2023, be approved.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
59,416,460	59,415,860	100.00	600	0.00*

Based on the above result, the Chairman declared the motion carried.

\* NM: Not meaningful (less than 0.01%)

**6. RESOLUTION 6 – RE-APPOINTMENT OF AUDITORS**

The Meeting was informed that Resolution 6 on the agenda was to re-appoint Auditors and to authorise the Directors to fix their remuneration. The retiring auditors, Messrs Deloitte & Touche LLP, had expressed their willingness to accept re-appointment for the ensuing year.

The Chairman informed the Meeting that Resolution 6 on the agenda was to put the following motion to the vote:

**Resolution 6**

**“RESOLVED** that Messrs Deloitte & Touche LLP be hereby re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and the Directors be authorised to fix their remuneration.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
58,347,460	58,247,460	99.83	100,000	0.17

Based on the above result, the Chairman declared the motion carried.

**7. ANY OTHER BUSINESS**

As no notice of any other ordinary business to be transacted at the Meeting had been received, the Meeting proceeded to deal with the special business on the agenda.

**SPECIAL BUSINESSES:**

**8. RESOLUTION 7 - AUTHORITY TO ISSUE SHARES**

The Meeting was informed on the purpose and effect of Resolution 7, the full text of the resolution was set out under item 7 in the Notice of the Meeting dated 15 April 2024.

The Chairman informed the Meeting that Resolution 7 on the agenda was to put the following motion to the vote:

**Resolution 7**

**“RESOLVED** that pursuant to Section 161 of the Companies Act 1967 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);
- (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.”

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
59,416,460	58,245,560	98.03	1,170,900	1.97

Based on the above result, the Chairman declared the motion carried.

9. **RESOLUTION 8 – RENEWAL OF THE SHARE BUY-BACK MANDATE**

The Meeting was informed on the purpose and effect of Resolution 8, the full text of the resolution was set out under item 8 in the Notice of the Meeting dated 15 April 2024.

The Chairman informed the Meeting that Resolution 8 on the agenda was to put the following motion to the vote:

**Resolution 8**

**“RESOLVED** that:-

- (a) for the purpose of the Companies Act 1967, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the Shares (excluding treasury shares and subsidiary holdings) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such 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 (each a **“On-Market Share Buy-Back”**); and/or
  - (ii) off-market purchase pursuant to an equal access scheme in accordance with Section 76C of the Companies Act 1967 (**“Off-Market Share Buy-Back”**),
- (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 AGM of the Company or the date by which such AGM 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

**“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.”

The Meeting was informed that, TAL Holdings Pte. Ltd. and its associates shall abstain from voting at the Meeting in relation to Resolution 8 relating to the renewal of the Share Buy-Back Mandate. In this regard, Mr Tan Ah Lye, Mr Tan Cheng Guan and Mr Tan Cheng Kwong shall decline to accept appointment as proxies to vote in respect of Resolution 8 for other Shareholders unless it is given specific instructions as to voting.

The result of the poll was as follows: -

Total number of shares represented by votes for and against the ordinary resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
26,827,460	26,827,460	100.00	0	0.00

Based on the above result, the Chairman declared the motion carried.



**CONCLUSION**

As all the matters tabled for the Meeting have been duly completed and there was no other business to transact, the Chairman declared the Meeting closed at 10:50 a.m. and thanked everyone for their attendance at the Meeting.

**CERTIFIED AS A TRUE RECORD OF MINUTES**

**LEONG WING KONG  
CHAIRMAN**

## **Appendix**

### **Annual General Meeting to be held on 30 April 2024 – Responses to Questions from Shareholders**

#### **Question 1**

A shareholder expressed gratitude to the Board of Directors and management for their excellent performance last year, which resulted in impressive results and a generous dividend. He noticed that the margin for equipment rental and trading had improved and enquired about the reasons of this improvement and whether this trend is expected to continue.

#### **Company's response**

The Company thanked the shareholders for their sincere appreciation and attributed the improvement in margins to the favorable product mix during the year, particularly in equipment rental and trading. The Company assured shareholders that management would continue to strive for optimal performance.

#### **Question 2**

Despite the Company's strong performance, a shareholder observed that the market does not seem to fully aware of the Company's operations and achievements. The shareholder inquired whether the Company or management has any intentions to enhance engagement with the public investors, such as improving investor relations activities or providing more frequent updates on quarterly operations.

#### **Company's response**

The Company emphasised its commitment to transparent communication and highlighting its regular announcement of half-year and full-year results on its performance via SGX-ST. It expressed openness to further improving engagement and stated that opportunities for enhancement would be continually explored.

#### **Question 3**

A shareholder asked if the Company conducts earning briefing and if there is any ongoing coverage of the company's progress and performance.

#### **Company's response**

The Company clarified that it does not conduct earnings briefings, but will evaluate options for such initiatives in consultation with management to ensure effective communication with shareholders.

#### **Question 4**

A shareholder noted that a reduction in the number of crane units and inquired about the reason behind this reduction despite favorable market conditions.

#### **Company's response**

The Company explained that it proactively streamlined its rental business, particularly in Malaysia, to ensure optimal fleet utilization in response to market demand. Additionally, it was emphasized that challenges in the Malaysian market played a significant role in the decision to reduce crane units.

**Question 5**

A shareholder asked about the impact of the depreciation of the Japanese yen on the Company's trading business.

**Company's response**

The Company clarified that the depreciation of the Japanese yen has minimal impact on its trading business due to its diversified operations, which include rental and trading segments. In addition to the diversification, they emphasised the value proposition of their products and services as key factors in maintaining stability and resilience in the face of currency-related challenges.

**Question 6**

A shareholder asked the Company's opinion in offering scrip dividend instead of cash dividend to increase liquidity and allow shareholders to acquire more shares

**Company's response**

The Company would consider the feasibility of offering scrip dividends in the future, taking into account various factors and the best interests of shareholders.

**Question 7**

A shareholder sought clarification from the Company on the reason for the reduction of S\$20,000 in directors' fees for FY2023 compared to FY2022 and inquires any intention to increase the number of directors.

**Company's response**

The reduction in directors' fees was due to the resignation of two independent directors in the FY2022, resulting in a smaller board composition in FY2023. The NC Chairman explained that the current Board comprises half of its members as independent, including the Chairman, which is deemed sufficient at present. However, the Nominating Committee will review and assess the size and composition of the Board and Board Committee annually and will consider increasing the number of directors based on the SGX's requirement and operations of the Group at the relevant time.