



SIN HENG HEAVY MACHINERY LIMITED

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Fourth Annual General Meeting 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 9:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors’ Report and the Audited Financial Statements of the Company for the year ended 30 June 2015 together with the Auditors’ Report thereon. **(Resolution 1)**
- To declare a final one-tier tax-exempt cash dividend of 0.55 Singapore cents for each ordinary share held in the capital of the Company in respect of the financial year ended 30 June 2015. **(Resolution 2)**
- To re-elect Mr Tan Cheng Kwong retiring by rotation under Article 89 of the Company’s Articles of Association and who, being eligible, offers himself for re-election. **(Resolution 3)**
- To re-elect Mr Hideki Okada retiring by rotation under Article 89 of the Company’s Articles of Association and who, being eligible, offers himself for re-election. **(Resolution 4)**
- To re-elect Mr Soh Sai Kiang retiring by rotation under Article 89 of the Company’s Articles of Association and who, being eligible, offers himself for re-election.
Mr Soh Sai Kiang, will upon re-election as Director of the Company, remains as a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee of the Company. Mr Soh is considered as Independent and Non-Executive Director. **(Resolution 5)**
- To re-elect Mr Hideyuki Morita retiring under Article 96 of the Company’s Articles of Association and who, being eligible, offers himself for re-election.
Mr Hideyuki Morita, will upon re-election as Director of the Company, remains as a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee of the Company. Mr Morita is considered as Non-Independent and Non-Executive Director. **(Resolution 6)**
- To re-appoint Mr Tan Ah Lye, pursuant to Section 153(6) of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”) as a Director to hold such office from the date of this Annual General Meeting until the next Annual General Meeting of the Company.
Mr Tan Ah Lye, will upon re-appointment as Director, remains as Non-Executive Chairman of the Company. **(Resolution 7)**
- To approve the payment of Directors’ fees of S\$375,804 (2014: S\$349,508) for the financial year ended 30 June 2015. **(Resolution 8)**
- To re-appoint Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 9)**

AS SPECIAL BUSINESS

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

- Mandate to issue shares in the capital of the Company**
That authority be and is hereby given to the Directors to:
 - issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
 - make or grant offers, agreements or options (collectively, the “**instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
 - (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the Directors while this Resolution was in force, provided that:
 - the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) shall not exceed 50 per cent of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in paragraph (2) below), of which the aggregate number of shares and instruments to be issued other than on a pro rata basis to shareholders of the Company (“**Shareholders**”) shall not exceed 20 per cent of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (2) below);
 - [subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”)] for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company excluding treasury shares at the time this Resolution is passed, after adjusting for:
 - new shares arising from the conversion or exercise of any convertible securities;
 - new shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
 - in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of SGX-ST (“**Listing Manual**”) for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
 - unless revoked or varied by the Company in General Meeting, the authority conferred by this Resolution shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the instruments, made or granted to this Resolution, until the issuance of such shares in accordance with the terms of the instruments.**[See Explanatory Note (ii)] (Resolution 10)**

11. Proposed Renewal of the Interested Person Transactions Mandate

That:

- approval be and is hereby given, for the purposes of Chapter 9 (“**Chapter 9**”) of the Listing Manual, in particular for the purposes of Rule 920 of the Listing Manual in relation to a general mandate from the Shareholders, for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions (as described in Paragraph 5 of Appendix I of the circular to Shareholders (“**Circular**”) in relation to the proposed renewal of the interested person transactions mandate) with the Interested Persons (as that term is used in the Circular), provided that such transactions are made on normal commercial terms, not prejudicial to the interests of the Company and its minority shareholders, and in accordance with the guidelines and review procedures for such Interested Person Transactions (the “**IPT Mandate**”);
- the approval given in paragraph (a) above shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- the Directors and any of them be and are hereby authorised to complete and do all such acts and things (including execution all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Resolution. **(Resolution 11)**

12. Proposed Renewal of the Share Buy-Back Mandate

That:

- for the purposes of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company (excluding treasure shares) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - on-market share buy-back, transacted on the ready market of the SGX-ST, or as the case may be, other stock exchange for the time being on which the shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (the “**On-Market Share Buy-Back**”); and/or
 - off-market share buy-back (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined

or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual (the “**Off-Market Share Buy-Back**”)),

and otherwise in accordance with all other laws and regulations and 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**”);

- unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the proposed Share Buy-Back Mandate may be exercised by the Directors 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:
 - 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;
 - the date on which the purchases or acquisitions of the shares by the Company pursuant to the proposed Share Buy-Back Mandate are carried out to the full extent mandated; or
 - the date on which the authority contained by the proposed Share Buy-Back Mandate is varied or revoked by ordinary resolution of the Company in general meeting.
- In this Resolution:

“**Prescribed Limit**” means the number of shares representing 10 per cent of the total issued ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company (excluding treasury shares) shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date on which the last Annual General Meeting was held and expiring on the date the next Annual General Meeting is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the Shareholders in a general meeting; and

“**Maximum Price**” in relation to a share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- in the case of an On-Market Share Buy-back, 105 per cent of the Average Closing Price;
- in the case of an Off-Market Share Buy-back, 120 per cent of the Average Closing Price,

where “**Average Closing Price**” means the average of the closing market prices of a share over the last 5 Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which transactions in the shares were recorded, immediately preceding the date of making the On-Market Share Buy-Back or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs after the relevant 5 day period; and

- the Directors and 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 or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the Share Buy-Back Mandate and/or this Resolution. **(Resolution 12)**
- To transact any other business as may properly be transacted at an Annual General Meeting.

NOTICE OF BOOKS CLOSURE DATE AND PAYMENT DATE FOR FINAL DIVIDEND

NOTICE IS HEREBY GIVEN that subject to approval being obtained at the Annual General Meeting to be held at Raffles Marina, No. 10, Tuas West Drive, Singapore 638404 on 28 October 2015 at 9:30 a.m.:

- A final one-tier tax-exempt cash dividend of 0.55 Singapore cents per ordinary share for the financial year ended 30 June 2015 will be paid on 18 November 2015.
- The Share Transfer Book and Register of Members of the Company will be closed on 5 November 2015 for the preparation of dividend payment. Duly completed registrable transfers received by the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623 up to 5.00 p.m. on 4 November 2015 will be registered to determine Shareholders’ entitlement to the proposed final dividend.

Shareholders whose securities account with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 4 November 2015 will be entitled to the proposed final dividend.

By Order of the Board

Mr Tan Cheng Soon Don
Managing Director
Singapore

13 October 2015

Explanatory Notes:

- Resolution 10 in item 10 above empowers the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 50% the issued shares (excluding treasury shares) in the capital of the Company. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Resolution 10 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution 10 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.
- Resolution 11 in item 11 is to renew a mandate which was last approved at the annual general meeting of the Company on 30 October 2014, allowing the Company, its subsidiaries and associated companies to enter into transactions with interested persons as defined in Chapter 9 of the Listing Manual of the SGX-ST. Please refer to the Circular to Shareholders accompanying this Notice of AGM for details.
- Resolution 12 in item 12 is to renew the Share Buy-Back Mandate which was last approved at the annual general meeting of the Company on 30 October 2014. Please refer to the Circular to Shareholders accompanying this Notice of AGM for details.

Notes:

- A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- Where a Member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies.
- The instrument appointing a proxy must be deposited at the registered office of the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting.

Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual 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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual 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.