

**CIRCULAR DATED 8 APRIL 2019**

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

**If you are in any doubt about this Circular, or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Sinwa Limited (the “**Company**”), you should at once hand this Circular 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.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.



**SINWA  
SINWA LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200206542H)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**(1) THE CAPITAL REDUCTION AND CASH DISTRIBUTION; AND**

**(2) THE CHANGE OF NAME OF THE COMPANY FROM “SINWA LIMITED” TO  
“WINAS LIMITED”**

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form : 27 April 2019 at 3.00 p.m.  
Date and time of Extraordinary General Meeting : 30 April 2019 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue)  
Place of Extraordinary General Meeting : 28 Joo Koon Circle, Singapore 629057

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:–

<b>“ACRA”</b>	:	Accounting and Corporate Regulatory Authority
<b>“AGM”</b>	:	An annual general meeting of the Company
<b>“Australian Properties Sale”</b>	:	The sale by the Company of:–  (a) Either the properties located at 1932 Coolawanyah Road, Karratha Industrial Estate, Western Australia and 39 Jessie Lee Street, Henderson; or  (b) All the shares of Sinwa Holdings (Australia) Pty Ltd
<b>“Board”</b>	:	The board of directors of the Company
<b>“Books Closure Date”</b>	:	A date to be determined by the Board and announced by the Company on which the Transfer Books and the Register of Members will be closed for the purpose of determining the entitlements of Entitled Shareholders in connection with the Cash Distribution
<b>“Business Day”</b>	:	A day which is not a Saturday, Sunday or public holiday in Singapore
<b>“Capital Reduction”</b>	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Sections 78A and 78C of the Companies Act, as well as under regulation 47(2) of the Constitution, for the purpose of effecting the Cash Distribution
<b>“Cash Distribution”</b>	:	The proposed cash distribution by the Company to the Shareholders of approximately S\$0.11 in cash for each Share as at the Books Closure Date pursuant to the Capital Reduction, amounting to an aggregate cash distribution of approximately S\$37,519,000
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Change of Name”</b>	:	The proposed change of the Company’s name from Sinwa Limited to Winas Limited, in connection with the SPA
<b>“Circular”</b>	:	This circular dated 8 April 2019
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
<b>“Company”</b>	:	Sinwa Limited

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## DEFINITIONS

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<b>“Constitution”</b>	:	The constitution of the Company, as may be amended, modified, or supplemented from time to time
<b>“Directors”</b>	:	The directors of the Company as at the date of this Circular
<b>“Disposal”</b>	:	The disposal by the Company to the Purchaser of the entire issued and paid-up share capital in the Sale Subsidiaries, free from Encumbrances and together with all rights and advantages attaching to them as at 31 December 2018, and the assignment and transfer by the Company and Sinwa International Pte Ltd to the Purchaser of the Intercompany Loans
<b>“Effective Date”</b>	:	The date on which the Capital Reduction becomes effective
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be convened in relation to the Capital Reduction and the Cash Distribution, and the Change of Name, on 30 April 2019 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue), notice of which is set out on pages N-1 to N-2 of this Circular
<b>“Encumbrance”</b>	:	Any claim, charge, mortgage, lien, option, equity, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<b>“Entitled Shareholders”</b>	:	Has the meaning ascribed to it in paragraph 2.8.1 of this Circular
<b>“EPS”</b>	:	Earnings per Share
<b>“Expected Payment Date”</b>	:	Has the meaning ascribed to it in paragraph 2.8.3(a) of this Circular
<b>“FY2018”</b>	:	The financial year ended 31 December 2018
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Intercompany Loans”</b>	:	The outstanding loans extended by the Company or Sinwa International Pte Ltd (as the case may be) to Sinwa Australia Pty Ltd, Sinwa (Thailand) Ltd or Sinwa SS Pte. Ltd. (as the case may be)
<b>“Latest Practicable Date”</b>	:	25 March 2019, being the latest practicable date prior to the printing of this Circular

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## DEFINITIONS

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“Listing Manual”	:	The listing manual of the Mainboard of the SGX-ST, as may be amended, modified, or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NAV”	:	Net asset value
“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-2 of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Purchaser”	:	Asia Ship Chandlery Holdings Pte. Ltd.
“Register of Members”	:	The register of members of the Company
“Sale Subsidiaries”	:	Sinwa SS Pte. Ltd., Seafirst Marine Services Pte. Ltd., Sinwa Offshore Pte. Ltd., Sinwa Ship Supply (HK) Pte. Ltd., Windsor Marine Pte Ltd, and Sinwa Australia Pty Ltd
“Securities Account”	:	The securities account maintained by a Depositor with CDP
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	The share registrar of the Company
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the issued share capital of the Company
“Solvency Statement”	:	Has the meaning ascribed to it in paragraph 2.3.1 of this Circular
“SPA”	:	The share purchase and loan assignment agreement entered into between the Company and the Purchaser on 13 November 2018 in relation to the Disposal and the Australian Properties Sale
“Special Resolutions”	:	The special resolutions as set out in the Notice of EGM, and each a “Special Resolution”

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## DEFINITIONS

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<b>“Substantial Shareholder”</b>	:	A person who has an interest or interests in one or more voting shares in the Company, and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the Company
<b>“Transfer Books”</b>	:	The share transfer books of the Company
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents, respectively
<b>“%”</b>	:	percentage or per centum

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The terms **“subsidiary”** and **“treasury shares”** shall have the meanings ascribed to them respectively in the Companies Act.

References to **“paragraph”** are to the paragraphs of this Circular, unless otherwise stated.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

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 Companies Act, the Listing Manual, or any relevant laws of the Republic of Singapore or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act, the Listing Manual, or any relevant laws of the Republic of Singapore or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of a day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise stated.

Any discrepancies in the figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, the figures shown as totals 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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### SINWA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200206542H)

**Directors:**

Sim Yong Teng (*Executive Chairman*)  
Tan Lay Ling (*Non-Executive Director*)  
Heng Lee Seng (*Independent Director*)  
Yeo Nai Meng (*Independent Director*)

**Registered Office:**

28 Joo Koon Circle  
Singapore 629057

8 April 2019

**To: The Shareholders of Sinwa Limited**

Dear Sir/Madam,

**(1) THE CAPITAL REDUCTION AND CASH DISTRIBUTION; AND**

**(2) THE CHANGE OF NAME OF THE COMPANY**

**1. INTRODUCTION**

- 1.1** The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the Capital Reduction and Cash Distribution, as well as the Change of Name of the Company, so as to seek Shareholders' approval for the Special Resolutions relating to the same. The EGM will be held on 30 April 2019 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue), notice of which is set out on pages N-1 to N-2 of this Circular.
- 1.2** This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.
- 1.3** The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

**2. THE CAPITAL REDUCTION AND CASH DISTRIBUTION**

**2.1 Background**

- 2.1.1** The Board refers to the announcement by the Company on 26 February 2019 in relation to the Capital Reduction and Cash Distribution.
- 2.1.2** The Company is proposing to undertake the Capital Reduction to return to Shareholders surplus capital in excess of its needs by way of the Cash Distribution pursuant to Sections 78A and 78C of the Companies Act, which will involve a cash distribution by the Company to return to the Shareholders surplus capital of the Company in excess of its needs of approximately S\$0.11 in cash for each Share held by Shareholders as at the Books Closure Date.



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## LETTER TO SHAREHOLDERS

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- 2.1.3 Section 78C of the Companies Act requires that a public company proposing to undertake a capital reduction exercise should, amongst others, obtain the approval of its shareholders at a general meeting by way of a special resolution to be tabled at such general meeting.
- 2.1.4 The Company will make the Cash Distribution of the sum of approximately S\$37,519,000 (equal to approximately S\$0.11 per Share) (excluding treasury shares), based on the issued and paid-up share capital of the Company of S\$41,002,000 comprising 341,079,335 Shares (excluding 2,177,532 treasury shares) as at the Latest Practicable Date, subject to the conditions in paragraph 2.5 below having been satisfied. The cash balance in the Company before and after the Capital Reduction and Cash Distribution is expected to be S\$41,811,000 and S\$4,292,000 respectively, assuming that the sale proceeds of S\$8,600,000 from the Australian Properties Sale are received by end April 2019.
- 2.1.5 The actual amount to be returned to Shareholders will be based on the issued and paid-up share capital of the Company as at the Books Closure Date.
- 2.1.6 The aggregate amount to be paid to Shareholders will be adjusted by rounding down fractions of a cent to the nearest cent, where applicable.

**The Capital Reduction and Cash Distribution will not result in a cancellation of Shares or a change in the number of Shares issued by the Company immediately after the Capital Reduction and Cash Distribution.**

### 2.2 Rationale of the Capital Reduction and Cash Distribution

- 2.2.1 As announced on 13 November 2018, the Company entered into the SPA with the Purchaser. Following the announcement dated 1 February 2019 on the completion of the Disposal, and the resulting cash balance in the Company following the Disposal, the Company intends to distribute the excess cash to Shareholders via the Capital Reduction and Cash Distribution, while taking into account the need to retain sufficient capital for its operational needs.
- 2.2.2 The Directors are of the view that the Capital Reduction is in the best interests of the Company as the Cash Distribution amount comprises the paid-up capital in excess of the immediate requirements of the Company, assuming that the sale proceeds of S\$8,600,000 from the Australian Properties Sale are received by end April 2019. In determining the level of capital to be returned to Shareholders, the Company has ensured that it retains sufficient capital for its business and operational needs.

### 2.3 Solvency Statement

- 2.3.1 In determining the Cash Distribution to Shareholders, the Directors have ensured that the Company retains sufficient capital to support its existing operations and pay its debts, if any. Pursuant to this and in compliance with Section 78C of the Companies Act, the Directors will each make a solvency statement (the "**Solvency Statement**") confirming that:–
- (a) As regards the Company's situation at the date of the Solvency Statement, there is no ground on which the Company could be found to be unable to pay its debts;

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## LETTER TO SHAREHOLDERS

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- (b) The Company will be able to pay its debts as they fall due during the period of 12 months immediately following the date of the Solvency Statement; and
- (c) The value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed Capital Reduction become less than the value of its liabilities (including contingent liabilities).

2.3.2 Copies of the Solvency Statements will be available for inspection at the EGM, as well as at the registered office of the Company for a period of 6 weeks beginning with the date of the EGM.

### 2.4 Details of the Capital Reduction and Cash Distribution

2.4.1 The Capital Reduction and Cash Distribution will be effected in the following manner:–

- (a) Reducing the issued and paid-up share capital of the Company by approximately S\$37,519,000 from S\$41,002,000 (as at the Latest Practicable Date) to S\$3,483,000; and
- (b) Distributing to Shareholders the sum of approximately S\$37,519,000 (equal to approximately S\$0.11 per Share) based on the issued and paid-up share capital of the Company of S\$41,002,000 comprising 341,079,335 Shares (excluding 2,177,532 treasury shares) as at the Latest Practicable Date.

2.4.2 As at the Latest Practicable Date, the Company has an issued and paid-up share capital (excluding treasury shares) of S\$41,002,000. Upon the completion of the Capital Reduction, the Company will have an issued and paid-up share capital of S\$3,483,000.

2.4.3 The following illustration sets out the position of a Shareholder who holds 100 fully paid-up Shares as at the Books Closure Date:–

	<b>Shareholder</b>
<b><u>Position before the Capital Reduction</u></b>	
Number of Shares currently held	100
<b><u>Position after the Capital Reduction</u></b>	
Amount of cash received further to the Cash Distribution	S\$11
Number of Shares held after the Cash Distribution	100

2.4.4 In summary, Shareholders will receive S\$11 in cash for every 100 Shares (or approximately S\$0.11 in cash for each Share) held as at the Books Closure Date. Shareholders holding odd lots of Shares (i.e. lots other than board lots of 100 Shares) will receive approximately S\$0.11 in cash for each Share held by them or on their behalf as at the Books Closure Date. The shareholding of each Shareholder in the Company shall remain unchanged immediately after the Capital Reduction and Cash Distribution.

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## LETTER TO SHAREHOLDERS

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### 2.5 Conditions of the Capital Reduction

- 2.5.1 The Capital Reduction is subject to, amongst others, the following conditions:–
- (a) The Directors complying with the relevant solvency requirements set out in the Companies Act, including making the Solvency Statements as set out in paragraph 2.3 above;
  - (b) The Company obtaining Shareholders' approval for the relevant Special Resolution at the EGM, to be approved by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than 21 days' notice of the EGM shall have been given;
  - (c) The Company complying with the relevant publicity requirements as prescribed in the Companies Act, including but not limited to, lodging the reduction information (containing amongst others, the amount of the Company's share capital that is thereby reduced) with ACRA within 8 days beginning with the date of the EGM;
  - (d) No creditor of the Company having made an application for the cancellation of the relevant Special Resolution during the period of 6 weeks beginning with the date of the EGM, and, if such application was made, the withdrawal of such application or the dismissal thereof by the High Court of Singapore;
  - (e) The lodgement with ACRA of copies of the Solvency Statements made by the Directors, and the relevant Special Resolution, within 15 days beginning with the date of the EGM;
  - (f) The lodgement with ACRA of the relevant documents, including but not limited to, a statement from the Directors confirming that the solvency requirements and publicity requirements have been met, after the end of the period of 6 weeks but before the end of the period of 8 weeks beginning with the date of the EGM; and
  - (g) The satisfaction or any regulatory approvals and/or statutory requirements which may be applicable in connection with the proposed Capital Reduction.

### 2.6 Effective Date of the Capital Reduction

- 2.6.1 As set out in paragraph 2.5 above, the Capital Reduction is subject to the satisfaction of, amongst others, the conditions set out therein.
- 2.6.2 After Shareholders' approval has been obtained for the Capital Reduction at the EGM, the Company will lodge with ACRA, amongst others, a notice containing the text of the Capital Reduction resolution. If no creditor of the Company objects to, and applies to the High Court of Singapore to cancel the relevant Special Resolution, the Company will lodge the further requisite documents with ACRA as provided under Section 78E(2) of the Companies Act after the end of the period of 6 weeks but before the end of the period of 8 weeks beginning with the date of the EGM. Upon the lodgement, the Capital Reduction will take effect.

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## LETTER TO SHAREHOLDERS

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- 2.6.3 If, however, a creditor of the Company objects to, and makes an application to the High Court of Singapore for the cancellation of, the relevant Special Resolution within the period of 6 weeks beginning with the date of the EGM, the Capital Reduction will only take effect if the creditor's application is withdrawn or dismissed by the High Court of Singapore.
- 2.6.4 The Company will make further announcements on the Capital Reduction as appropriate or when there are developments on the same including the Effective Date.

### 2.7 Financial Effects of the Capital Reduction and Cash Distribution

#### 2.7.1 Assumptions

- (a) For illustrative purposes only and based on the audited financial statements of the Company for FY2018, the pro forma financial effects of the Capital Reduction and Cash Distribution on the Company are as set out below. Shareholders should note that the pro forma financial effects are for illustrative purposes only and are not indicative or a projection of the results and financial position of the Company following the Capital Reduction and Cash Distribution.
- (b) The pro forma financial effects are calculated on the assumptions that:–
- (i) The Disposal was completed on 31 December 2018.
  - (ii) The Australian Properties Sale has been completed, and the sale proceeds from the Australian Properties Sale are not less than S\$8,600,000.
  - (iii) The payment of the proposed special dividend of S\$64,805,000 was completed on 31 December 2018. The special dividend is expected to be paid to Shareholders in May 2019.
  - (iv) The Capital Reduction and Cash Distribution were completed on 31 December 2018.
  - (v) The aggregate amount of cash required for the Cash Distribution will be generated through the Company's available liquid cash sources on hand.
  - (vi) The estimated transaction costs of approximately S\$35,000 have been taken into account in the computation of the financial effects.

## LETTER TO SHAREHOLDERS

2.7.2 The key financial information of the Company before and after the Cash Distribution and Capital Reduction is as follows:–

	Audited (S\$'000)	After the Disposal, the Australian Properties Sale, and the special dividend (S\$'000)	After the Cash Distribution and Capital Reduction (S\$'000)
<b>As at 31 December 2018</b>			
Share capital (net of treasury shares)	41,002	41,002	3,483
Reserve – non distributable	108	108	108
Retained profits	16,320	461	461
<b>Total Shareholders' Equity</b>	<b>57,430</b>	<b>41,571</b>	<b>4,052</b>
<b>Current Assets</b>			
Trade and other receivables and prepayment	15,915	70	70
Cash, bank balances and fixed deposits	23,317	41,811	4,292
Assets classified held for sale	18,817	–	–
	<b>58,109</b>	<b>41,881</b>	<b>4,362</b>
<b>Current Liabilities</b>			
Income tax payable	105	105	105
Other payables	524	155	155
	<b>629</b>	<b>260</b>	<b>260</b>
<b>Non Current Liabilities</b>			
Deferred tax liabilities	50	50	50

### 2.7.3 Share Capital

The Capital Reduction and Cash Distribution will not have any impact on the number of Shares held by Shareholders after the Capital Reduction and Cash Distribution. The proforma financial effects of the Capital Reduction and Cash Distribution on the issued share capital of the Company based on the audited financial statements of the Company for FY2018 are as follows:–

	Before the Capital Reduction and Cash Distribution	After the Capital Reduction and Cash Distribution
No. of Shares (including treasury shares)	343,256,867	343,256,867
No. of Shares (excluding treasury shares)	341,079,335	341,079,335
Amount of share capital (S\$) (excluding treasury shares)	41,002,000	3,483,000

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## LETTER TO SHAREHOLDERS

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### 2.7.4 EPS

The Capital Reduction and Cash Distribution will have no impact on the EPS of the Company.

### 2.7.5 NAV

The proforma financial effects of the Capital Reduction and Cash Distribution on the NAV of the Company based on the audited financial statements of the Company for FY2018 are as follows:-

	<b>Before the Capital Reduction and Cash Distribution</b>	<b>After the Capital Reduction and Cash Distribution</b>
NAV (S\$)	41,571,000	4,052,000
No. of Shares (excluding treasury shares)	341,079,335	341,079,335
NAV per Share (S\$)	0.122	0.012

### 2.7.6 Gearing

The proforma financial effects of the Capital Reduction and Cash Distribution on the gearing ratio of the Company based on the audited financial statements of the Company for FY2018 are as follows:-

	<b>Before the Capital Reduction and Cash Distribution</b>	<b>After the Capital Reduction and Cash Distribution</b>
Borrowings	-	-
NAV (S\$)	41,571,000	4,052,000
Gearing (%)	-	-

### 2.7.7 Return on Equity

The proforma financial effects of the Capital Reduction and Cash Distribution on the return of equity of the Company based on the audited financial statements of the Company for FY2018 are as follows:-

	<b>Before the Capital Reduction and Cash Distribution</b>	<b>After the Capital Reduction and Cash Distribution</b>
Profit attributable to Shareholders (S\$)	51,934,000	51,934,000
Equity (S\$)	41,571,000	4,052,000
Return on equity (%)	124.93	1,281.69

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## LETTER TO SHAREHOLDERS

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### 2.8 Administrative Procedures for the Cash Distribution

The following paragraphs set out the administrative procedures for the Capital Reduction and Cash Distribution:–

#### 2.8.1 Books Closure Date

- (a) Persons registered in the Register of Members and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be considered for purposes of the Cash Distribution, on the basis of such number of Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date (the “**Entitled Shareholders**”). On the Expected Payment Date, the Entitled Shareholders will receive a sum of approximately S\$0.11 for each Share held by them as at the Books Closure Date to be determined.
- (b) Subject to the satisfaction of the conditions set out in paragraph 2.5, the Company will make further announcements in due course as soon as reasonably practicable to notify Shareholders of:–
  - (i) The Books Closure Date;
  - (ii) The Effective Date; and
  - (iii) The Expected Payment Date.

#### 2.8.2 Deposit of Scrip Shares with CDP

Entitled Shareholders who hold Shares registered in their own names in the Register of Members and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver the existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least 12 Market Days prior to the Books Closure Date, in order for their Securities Accounts to be credited with the relevant Shares by the Books Closure Date.

#### 2.8.3 Payment pursuant to the Cash Distribution

##### (a) Entitled Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register of Members as at the Books Closure Date will have the cheques for payment of their entitlements under the Cash Distribution despatched to them by ordinary post at their own risk addressed to their respective addresses in the Register of Members on the payment date to be announced in due course (the “**Expected Payment Date**”). The Company shall not be liable for any loss in transmission.

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## LETTER TO SHAREHOLDERS

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### (b) Entitled Shareholders who are Depositors

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date will have the cheques for payment of their entitlements under the Cash Distribution despatched to them by CDP by ordinary post at their own risk on the Expected Payment Date. Alternatively, such Depositors will have payment of their entitlements under the Cash Distribution made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions on the Expected Payment Date. Neither the Company nor CDP shall be responsible or liable for any loss in transmission.

## 2.9 Taxation

**Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or any tax implications arising from the Capital Reduction and Cash Distribution. Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own tax advisers or other professional advisers.**

- 2.9.1 For Singapore income tax purposes, payments made by a Singapore resident company to shareholders pursuant to share capital reductions are generally classified as either a return of capital (which is a capital gain not subject to tax) or a receipt of dividends (which is tax-exempt under the one-tier corporate tax system). As such, for Singapore income tax purposes, any gains from such transactions are generally not taxable unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the shareholders.
- 2.9.2 In relation to the Cash Distribution to be made to Shareholders pursuant to the Capital Reduction, as the amount to be paid to Shareholders pursuant to the Cash Distribution will be paid out of the reduction of the existing issued and paid-up share capital of the Company, the Cash Distribution should generally be regarded as a return of capital, and is therefore not taxable in Singapore for Shareholders, unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by Shareholders.

## 3. THE CHANGE OF NAME OF THE COMPANY

### 3.1 Background and Rationale

- 3.1.1 Under the SPA, the Company is required to change its name from “Sinwa Limited” to a name that does not refer to, or is otherwise a derivative of, the name “Sinwa”. Accordingly, the Company is seeking Shareholders’ approval to change the name of the Company to “Winas Limited”.
- 3.1.2 Under Section 28 of the Companies Act, a change of name requires the approval of shareholders by way of a special resolution. Accordingly, the Board is convening the EGM to seek approval from Shareholders for the Change of Name.



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## LETTER TO SHAREHOLDERS

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### 3.2 Approvals

- 3.2.1 ACRA has given its approval for the use of the name “Winas Limited”. The proposed name has been reserved until 30 May 2019.
- 3.2.2 The Change of Name will be proposed as a special resolution, and will be subject to Shareholders’ approval at the EGM. Subject to the passing of the relevant Special Resolution at the EGM, the Company will, as soon as reasonably practicable after the EGM, lodge the requisite notifications with ACRA. The Company will adopt “Winas Limited” as its new name with effect from the issue of the Certificate of Incorporation on Change of Name of Company by ACRA. The name “Winas Limited” shall replace all references to Sinwa Limited in the Constitution thereafter.
- 3.2.3 The Company will issue an announcement to notify Shareholders when the Change of Name takes effect. The Change of Name will not affect the legal status of the Company.

### 3.3 No Impact on Existing Share Certificates

- 3.3.1 Notwithstanding the Change of Name, Shareholders should note that the Company will not recall existing share certificates in respect of the Shares.
- 3.3.2 Existing share certificates bearing the name “Sinwa Limited”, and issued prior to the date on which the Change of Name takes effect, will continue to be evidence of legal title. No further action is required to be taken on the part of Shareholders.

## 4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 4.1 The interests of the Directors and Substantial Shareholders as at the Latest Practicable Date, as recorded in the Company’s Register of Directors’ Shareholdings and the Register of Substantial Shareholders respectively, are as follows:–

	Number of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
<b>Directors</b>				
Sim Yong Teng <sup>(1)</sup>	5,952,150	1.74	140,147,928	41.09
Tan Lay Ling	4,773,500	1.40	–	–
Heng Lee Seng	525,000	0.15	–	–
Yeo Nai Meng	–	–	–	–
<b>Substantial Shareholders (excluding Directors)</b>				
Evenstar Investments Pte Ltd <sup>(1)</sup>	140,147,928	41.09	–	–
FMR LLC <sup>(2)</sup>	–	–	27,224,900	7.98

**Notes:–**

- (1) Pursuant to Section 7(4) of the Companies Act, Sim Yong Teng is deemed to be interested in the 140,147,928 shares held by Evenstar Investments Pte Ltd.
- (2) Pursuant to Section 7(4) of the Companies Act, FMR LLC is deemed to be interested in the shares acquired by the registered holders, FID Low Priced Stock Fund.

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## LETTER TO SHAREHOLDERS

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**4.2** Save as disclosed above, none of the Directors or Substantial Shareholders have any interest, direct or indirect, in the Capital Reduction and Cash Distribution (other than through their shareholdings in the Company, if any).

**4.3** None of the Directors and/or Controlling Shareholders have any interest, direct or indirect, in the Change of Name.

### **5. DIRECTORS' RECOMMENDATIONS**

**5.1** The Directors are of the opinion that the Capital Reduction and Cash Distribution, as well as the Change of Name, are in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Special Resolutions set out in the Notice of EGM.

### **6. DIRECTORS' RESPONSIBILITY STATEMENT**

**6.1** 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 Capital Reduction and Cash Distribution, as well as the Change of Name, the Company and its subsidiaries, 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.

### **7. EXTRAORDINARY GENERAL MEETING**

**7.1** The EGM, notice of which is set out on pages N-1 to N-2 of this Circular, will be held on 30 April 2019 at 28 Joo Koon Circle, Singapore 629057 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the Special Resolutions.

### **8. ACTIONS TO BE TAKEN BY SHAREHOLDERS**

#### **8.1 Appointment of Proxies**

Shareholders will find enclosed with this Circular the Notice of EGM and a Proxy Form. Shareholders who are unable to attend the EGM and who wish to appoint a proxy/proxies to attend and vote on their behalf should complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach at the registered office of the Company not less than 72 hours before the time appointed for the holding of the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. In such an event, the Proxy Form will be deemed to be revoked.

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## LETTER TO SHAREHOLDERS

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### 8.2 Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the time fixed for the EGM.

### 9. DOCUMENTS AVAILABLE FOR INSPECTION

9.1 A copy of the following documents may be inspected by Shareholders at the registered office of the Company at 28 Joo Koon Circle, Singapore 629057, during normal business hours from the date of this Circular up to the date of the EGM:—

- (a) The annual report of the Company for FY2018.
- (b) The Constitution.

Yours faithfully  
For and on behalf of the Board of  
**SINWA LIMITED**

Sim Yong Teng  
Executive Chairman

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SINWA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200206542H)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of the Company will be held at 28 Joo Koon Circle, Singapore 629057 on 30 April 2019 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modification the following resolutions as Special Resolutions:

All capitalised terms in the Special Resolutions and defined in the circular to the shareholders of the Company dated 8 April 2019 (the “**Circular**”) shall, unless otherwise defined in this Notice, bear the respective meanings ascribed thereto in the Circular.

#### **AS SPECIAL RESOLUTIONS:**

##### **(1) THE CAPITAL REDUCTION AND CASH DISTRIBUTION**

That approval be and is hereby given to the Company for the following actions:

- (a) the issued and paid-up share capital of the Company be reduced by approximately S\$37,519,000 from S\$41,002,000 (as at the Latest Practicable Date) to S\$3,483,000 and returning the sum of approximately S\$37,519,000 to the Shareholders, being registered holders of the Shares other than the Company, except that where the registered holder is The Central Depository (Pte) Limited, the term “**Shareholders**” shall mean the Depositors (other than the Company) as defined under the Companies Act, on the basis of approximately S\$0.11 for each issued ordinary share in the capital of the Company held by a Shareholder or on his/her behalf as at the Books Closure Date to be determined by the Directors; and
- (b) any of the Directors be and is hereby authorised to do all such acts and things (including, without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit notices, forms and documents with or to the relevant authorities) as they/he/she may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Special Resolution.

##### **(2) THE CHANGE OF NAME OF THE COMPANY**

That approval be and is hereby given to the Company for the following actions:

- (a) subject to the approval of the Accounting and Corporate Regulatory Authority, the name of the Company be changed from “Sinwa Limited” to “Winas Limited”, and that the name “Sinwa Limited” be replaced by “Winas Limited” wherever the earlier name appears in the Constitution; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (b) any of the Directors be and is hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they/he/she may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Special Resolution.

BY ORDER OF THE BOARD

**Siau Kuei Lian**  
Company Secretary  
Singapore  
8 April 2019

**Notes:–**

1. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the EGM of the Company is entitled to appoint not more than two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. Where a member (other than a Relevant Intermediary\*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such corporation.
4. 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 under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
5. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by the attorney, the letter or power of attorney or a 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.
6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 28 Joo Koon Circle, Singapore 629057, not less than seventy-two hours before the time appointed for holding the EGM of the Company.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) 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 (Cap. 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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.

**PERSONAL DATA PRIVACY**

Where a member of the Company submits an instrument of proxy appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 proxy(ies) and/or representative(s) appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (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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## SINWA LIMITED

Company Registration Number: 200206542H  
(Incorporated in the Republic of Singapore)

## PROXY FORM

(Please see notes overleaf before completing this Form)

### IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No.)  
of \_\_\_\_\_ (Address)  
being a member/members of Sinwa Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as \*my/our \*proxy/proxies or failing \*him/her, the Chairman of the Meeting, to attend and vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting (the "Meeting") of the Company to be held at 28 Joo Koon Circle, Singapore 629057 on 30 April 2019 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue) and at any adjournment thereof. \*I/We direct \*my/our \*proxy/proxies to vote for or against the Special Resolution to be proposed at the Meeting as indicated hereunder. If no specified direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

If you wish to exercise all your votes 'For' or 'Against', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

No.	Special Resolution:	No. of votes 'For'	No. of votes 'Against'
1.	To approve the Capital Reduction and Cash Distribution		
2.	To approve the Change of Name of the Company		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019

<b>Total Number of Ordinary Shares Held</b>

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

\* Delete where inapplicable



**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 81SF of the Securities and Futures Act, Chapter 289 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 (other than a Relevant Intermediary\*), entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or 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 (other than a Relevant Intermediary\*) appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
5. Subject to note 9, completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 28 Joo Koon Circle, Singapore 629057 not less than seventy-two (72) hours before the time appointed for holding the Meeting.
7. 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 seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies 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.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. An investor who holds shares under the Central Provident Fund Investment Scheme (“CPF Investor”) and/or the Supplementary Retirement Scheme (“SRS Investor”) (as may be applicable) may attend and cast his/her vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) 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 (Cap. 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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.

**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 the Meeting dated 8 April 2019.

**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 Shares entered in the Depository Register, 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 seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.