



**HG METAL MANUFACTURING LIMITED**

(Company Registration No. 198802660D)

(Incorporated in the Republic of Singapore on 4 August 1988)

---

**USE OF PROCEEDS OF THE PLACEMENT OF 37,000,000 NEW ORDINARY SHARES  
("PLACEMENT SHARES") IN THE CAPITAL OF HG METAL MANUFACTURING LIMITED (THE  
"PLACEMENT") AT AN ISSUE PRICE OF S\$0.52 PER PLACEMENT SHARE**

---

Further to the announcements made by HG Metal Manufacturing Limited (the "**Company**") on 23 July 2007, 2 August 2007 and 3 August 2007 in relation to the Placement, the Board of Directors wishes to inform that as of 13 August 2007, a sum of approximately S\$6 million of the net Placement proceeds (the "**Net Proceeds**") of approximately S\$18.4 million has been used by the Company for general working capital purposes. The Company will continue to provide updates on the use of the Net Proceeds as and when the Net Proceeds have been materially disbursed.

By Order of the Board

Wee Piew  
Chief Executive Officer  
29 August 2007