



HG Metal Manufacturing Limited
(Company Registration No. 198802660D)

**SPECIAL DIVIDEND AND RIGHTS ISSUE
RESULTS OF THE RIGHTS ISSUE
ALLOTMENT OF RIGHTS SHARES
REFUND AND PAYMENT**

Unless otherwise defined, all terms used in this announcement bear the same meaning as defined in the offer information statement of the Company dated 2 February 2007.

1 RESULTS OF THE RIGHTS ISSUE

Level of Subscription

HG Metal Manufacturing Limited (“**Company**”) refers to the renounceable non-underwritten rights issue (“**Rights Issue**”) of up to 99,188,142 new ordinary shares (“Rights Shares”) at an issue price of S\$0.20 for each Rights Share and the availability of option to elect to utilize the Net Special Dividend to subscribe for the Rights Shares. The Board of Directors of the Company is pleased to announce that, as at the close of the Rights Issue on 28 February 2007, valid acceptances and excess applications for a total of 148,557,021 Rights Shares, representing approximately 200.6% of the total number of 74,039,797 Rights Shares under the Rights Issue were received.

Details of the valid acceptances and excess applications for the Rights Shares received are as follows:

- (a) valid acceptances were received for a total of 71,395,241 Rights Shares, representing approximately 96.4% of the total number of Rights Shares available under the Rights Issue; and
- (b) excess applications were received for a total of 77,161,780 Rights Shares, representing approximately 104.2% of the total number of Rights Shares available under the Rights Issue (“**Excess Applications**”).

Allocation of Rights Shares for Excess Applications

The balance of the 2,644,556 Rights Shares which were not taken up by Entitled Shareholders and/or their renounees and/or purchasers pursuant to the Rights Issue were allotted to satisfy Excess Applications. In compliance with its obligations under the SGX-ST Listing Manual, the Company had, in the allotment of any excess Rights Shares, given preference to the Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders had ranked last in priority.

Pursuant to the irrevocable undertakings given by the Undertaking Shareholders, the Undertaking Shareholders accepted their aggregate entitlements of 22,770,245 Rights Shares under the Rights Issue.

2 ALLOTMENT OF RIGHTS SHARES

CDP will send Entitled Depositors with valid acceptances and successful applications for excess Rights Shares a notification letter by ordinary post on or about 15 March 2007, at their own risk, to their respective mailing addresses in Singapore as maintained with CDP, stating the number of Rights Shares that have been allotted to their respective Securities Accounts.

3 REFUND AND PAYMENT

Where any acceptance for Rights Shares and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants, without interest or any share of revenue or other benefit arising on or about 15 March 2007 by:-

- (a) ordinary post, and in the case of a refund, by means of a crossed cheque drawn on a bank in Singapore (where the acceptance and/or application is through CDP or the Share Registrar), at their own risk, to their mailing addresses in Singapore as maintained with CDP or the Share Registrar; or
- (b) crediting their bank accounts with the relevant Participating Banks (where acceptance and/or application is through Electronic Application), at their own risk, the receipt by such bank being a good discharge by the Company and CDP of their obligations.

In respect of an Entitled Depositor whose Special Dividend has not been fully utilised to subscribe for the Rights Shares, the unutilised Special Dividend will be paid to such Entitled Depositor on or about 26 March 2007 by any one or a combination of the following:-

- (a) crediting his bank account with the relevant bank via CDP's Direct Crediting Service (where details of such bank account have been provided to CDP) at his own risk; or
- (b) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at his own risk to his mailing address as maintained with CDP.

4 CLOSING AND LISTING OF THE RIGHTS SHARES

The Company expects that 74,039,797 Rights Shares will be issued on or about 14 March 2007 pursuant to the Rights Issue.

The Company further expects that the Rights Shares will be listed and quoted on the Official List of the SGX-ST with effect from 9.00 a.m. on or about 15 March 2007.

BY ORDER OF THE BOARD

Foong Lee Heng
Company Secretary
9 March 2007