HG METAL MANUFACTURING LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198802660D)
Registered Office :
No. 30 Jalan Buroh, Jurong Town
Singapore 619486

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be held at No. 28 Jalan Buroh, Jurong Town, Singapore 619484 on 30 January 2007 at 10.00a.m. to transact the following business :-

Ordinary Business

1. To receive and consider the audited accounts for the year ended 30 September 2006 and the reports of the Directors and Auditors thereon.

2. To declare a special net dividend of 4 cents per share for the year ended 30 September 2006. [See Explanatory Note (a)]

3. To approve Directors' Fees of S$210,000 for the year ended 30 September 2006. [Year 2005 : S$106,000].

4. To re-elect the following Directors retiring in accordance with Article 89 of the Company's Articles of Association.:-

   (a) Mr Sia Ling Sing
   (b) Mr Wee Piew

5. To consider and, if thought fit, to pass the following resolutions as ordinary resolutions :-

   (a) "That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Tan Ah Bee be re-appointed a director of the Company to hold office until the next annual general meeting of the Company."

   (b) "That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Tian Chye Heng be re-appointed a director of the Company to hold office until the next annual general meeting of the Company."

6. To re-appoint BDO Raffles as Auditors and to authorise the Directors to fix their remuneration.

Special Business

7. To consider and, if thought fit, to pass the following resolutions with or without amendments as ordinary resolutions :-

7.1 Authority To Issue Shares

That pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors of the Company to allot and issue shares (whether by way of rights, bonus or otherwise) and convertible securities in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares and convertible securities to be issued pursuant to this resolution does not exceed 50 per cent of the issued shares in the capital of the Company, of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20 per cent of the issued shares in the capital of the Company, and for the purpose of this resolution, the percentage of issued shares shall be based on the number of issued shares in the capital of the Company at the time this resolution is passed (after adjusting for new shares arising from the conversion or exercise of convertible securities or exercise of share options or vesting of share awards which are outstanding or subsisting at the time this resolution is passed and any subsequent consolidation or subdivision of the Company's shares), and unless revoked or varied by the Company in general meeting, such authority shall continue in force 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 the earlier. [See Explanatory Note (b)]

7.2 Renewal of Mandate for Interested Person Transactions.

That :-

(i) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of interested person transactions as described in the Appendix to the Annual Report of the Company (the “Appendix”), with any party, who falls within the class of interested persons referred to in the Appendix, provided that such transactions are carried out in the normal course of business, at arm’s length and on normal commercial terms and in accordance with the review procedures for the interested person transactions as set out in the Appendix;

(ii) such approval shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and

(iii) the Directors be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this ordinary resolution. [See Explanatory Note (c)].

8. To transact any other business which may properly be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Foong Lee Heng
Company Secretary

Singapore
12 January 2007

Proxies :-

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

An instrument appointing a proxy must be deposited at the Company’s registered office at No. 30 Jalan Buroh, Jurong Town, Singapore 619486 not less than 48 hours before the time appointed for holding the meeting.

Explanatory Notes :-

(a) If the special net dividend of 4 cents per share is declared, it will comprise (i) dividend subject to tax and (ii) tax exempt one-tier dividend, the breakdown of which will be determined based on the issued share capital of the Company as at books closure date.

(b) The ordinary resolution set out in item 7.1 above, if passed, will empower the Directors from the date of the above meeting until the date of the next Annual General Meeting, to issue shares and convertible securities in the Company. The number of shares and convertible securities which the Directors may issue under this resolution would not exceed 50% of the issued shares in the capital of the Company at the time this resolution is passed. For issues of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed 20% of the issued shares in the capital of the Company at the time this resolution is passed.

(c) The ordinary resolution set out in item 7.2 above, if passed, will renew the general mandate to allow the Company, its subsidiaries and associated companies or any of them to enter into certain interested person transactions with persons who are considered “interested persons” (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.)