



HG METAL MANUFACTURING LIMITED

(Registration No: 198802660D)

S\$10 MILLION CONVERTIBLE LOAN FACILITY - CONVERSION NOTICE

The board of directors (the "**Board**") of HG Metal Manufacturing Limited (the "**Company**") refers to the announcement made on 15 August 2006 in connection with the entry by the Company into a S\$10,000,000 Convertible Loan Agreement (the "**2006 Loan Agreement**") with Oversea-Chinese Banking Corporation Limited ("**OCBC**").

Unless otherwise defined, the terms used in this announcement shall bear the same meanings as defined in the announcement made on 15 August 2006.

The 2006 Loan Agreement allows for, *inter alia*, OCBC to have the right to convert all or part of the Convertible Loan Facility into fully paid new ordinary shares in the capital of the Company in accordance with the provisions set out in the 2006 Loan Agreement.

The Board wishes to announce that on 16 April 2007, it has pursuant to the 2006 Loan Agreement received a conversion notice from OCBC electing to convert S\$2,013,000 of the Convertible Loan Facility into fully paid new ordinary shares in the capital of the Company. The Company will accordingly allot and issue to OCBC 6,600,000 ordinary shares in the capital of the Company. Subsequent to the conversion of S\$2,013,000, the amount of outstanding convertible loan as at to-date is S\$2,797,200.

By Order Of The Board
Foong Lee Heng
Company Secretary
17 April 2007