



**HG METAL MANUFACTURING LIMITED**  
(Company Registration No.: 198802660D)  
(Incorporated in the Republic of Singapore)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 21 December 2011 issued by HG Metal Manufacturing Limited (the "Circular").

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of the Shareholders of HG Metal Manufacturing Limited (the "Company") will be held at 28 Jalan Buroh, Singapore 619484 on 12 January 2012 at 10 a.m. for the purpose of considering and, if thought fit, passing with or without any modification, the following resolutions which will be proposed as two (2) Special Resolutions and five (5) Ordinary Resolutions respectively:

**SPECIAL RESOLUTIONS**

**1. RESOLUTION 1**

**PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

- (a) That the Memorandum of Association of the Company be and is hereby amended in the manner and to the extent as set out in Appendix 1 to the Circular; and
- (b) that the Directors of the Company and/or any of them be and are hereby authorised to complete and to do all such act and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

**2. RESOLUTION 2**

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY**

- (a) That the Articles of Association of the Company be and is hereby amended in the manner and to the extent as set out in Appendix 1 to the Circular; and
- (b) that the Directors of the Company and/or any of them be and are hereby authorised to complete and to do all such act and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

**ORDINARY RESOLUTIONS**

**3. RESOLUTION 3**

**PROPOSED SHARE PURCHASE MANDATE**

That:

- (a) for the purposes of the Companies Act (Chapter 50 of Singapore) (the "Companies Act"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company (the "Shares") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) (each a "Market Purchase") on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and/or
- (ii) off-market purchase(s) (each an "Off-Market Purchase") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

- (b) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earlier of:

- (i) the date on which the next annual general meeting of the Company ("AGM") is held or required by law to be held; or
- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier;

- (c) in this Ordinary Resolution:

"Maximum Limit" means that number of issued Shares representing three per cent. (3%) of the total number of issued Shares (excluding treasury shares) as at the date of the passing of this Ordinary Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of Shares as altered (excluding any treasury shares that may be held by the Company from time to time);

"Relevant Period" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Ordinary Resolution; and

"Maximum Price", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Average Closing Price,

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days (a "Market Day" being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

**4. RESOLUTION 4**

**PROPOSED ADOPTION OF EMPLOYEE SHARE OPTION SCHEME**

That the employee share option scheme to be known as the "HG Metal Employee Share Option Scheme" (the "Employee Share Option Scheme") under which options ("Options") may be granted to the employees (including the Chief Executive Officer) of the Company and/or its subsidiaries (the "Group") who have, *inter alia*, attained the age of 21 years, to subscribe for Shares, particulars of which are set out in the Circular to Shareholders of the Company dated 21 December 2011 (the "Circular"), be and is hereby approved and adopted, and that the Directors of the Company be and are hereby authorised:

- (a) to establish and administer the Employee Share Option Scheme;
- (b) to modify and/or amend the Employee Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the rules of the Employee Share Option Scheme, and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Employee Share Option Scheme; and
- (c) to offer and grant Options in accordance with the rules of the Employee Share Option Scheme and pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore), and to deliver existing Shares (including treasury shares, if any) and allot and issue from time to time such number of new Shares as may be required to be transferred or allotted and issued pursuant to the exercise of the Options under the Employee Share Option Scheme.

**5. RESOLUTION 5**

**PROPOSED GRANT OF OPTIONS UNDER THE PROPOSED EMPLOYEE SHARE OPTION SCHEME AT A DISCOUNT TO MARKET PRICE**

That, subject to and contingent upon Resolution 4 above being passed, approval be given for Options to be granted under the Employee Share Option Scheme for the subscription of Shares at subscription prices which may, at the discretion of the committee administering the Employee Share Option Scheme, be subject to a discount to the market price for the Shares prevailing at the date of grant of the respective Options (such market price to be determined in accordance with the rules of the Employee Share Option Scheme), provided that the maximum discount which may be given shall not exceed 20% of the relevant market price for the Shares applicable to such Options.

**6. RESOLUTION 6**

**PROPOSED PARTICIPATION BY MR GOH KIAN SIN, A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE EMPLOYEE SHARE OPTION SCHEME**

That, subject to and contingent upon Resolutions 4 and 5 above being passed, approval be given for the participation of Mr Goh Kian Sin, the Managing Director and the Chief Executive Officer, and a Controlling Shareholder of the Company, in the Employee Share Option Scheme be and is hereby approved.

**7. RESOLUTION 7**

**PROPOSED GRANT OF OPTION(S) UNDER THE EMPLOYEE SHARE OPTION SCHEME TO MR GOH KIAN SIN, A CONTROLLING SHAREHOLDER OF THE COMPANY**

That, subject to and contingent upon Resolutions 4, 5 and 6 above being passed, approval be given for the proposed offer and grant to Mr Goh Kian Sin, the Managing Director and the Chief Executive Officer, and a Controlling Shareholder of the Company, of Option(s) pursuant to and in accordance with the rules of the Employee Share Option Scheme on the following terms, be and is hereby approved, and the Directors be and are hereby authorised to allot and issue Shares upon the exercise of such Option(s):

- (a) Proposed Date of Grant of Option(s) : Any time within a period of 12 months from the date of the EGM
- (b) Number of Shares comprised in the proposed Option(s) : 15,000,000 Shares (representing approximately 1.48% of the total issued Shares as at the Latest Practicable Date), subject to the rules of the Employee Share Option Scheme
- (c) Exercise Price per Share : At a 20% discount to Market Price
- (d) Exercise Period : 24 months after Date of Grant

**BY ORDER OF THE BOARD**

Goh Kian Sin  
Managing Director and Chief Executive Officer  
Singapore

21 December 2011

**Notes:**

1. A Shareholder entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Shareholder of the Company.
2. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 30 Jalan Buroh, Singapore 619486 not less than 48 hours before the time appointed for holding the EGM.