

HG METAL MANUFACTURING LIMITED

(Company Registration Number: 198802660D)
(Incorporated in the Republic of Singapore)

INCREASE IN SHARE CAPITAL OF WHOLLY-OWNED SUBSIDIARY

The Board of Directors of HG Metal Manufacturing Limited ("the Company", and together with its subsidiaries, the "Group") is pleased to announce that HG Construction Steel Pte Ltd ("HGCS"), an indirect wholly-owned subsidiary of the Company, has increased its issued and paid-up capital from S\$500,000 to S\$2,000,000.

HG Metal Investments Pte Ltd ("HGMI"), a wholly-owned subsidiary of the Company, has subscribed for an additional 1,500,000 ordinary shares in HGCS, which shall be satisfied by capitalization of S\$1,500,000 debts owed by HGCS to HGMI. Following the aforesaid subscription, HGMI now holds 2,000,000 ordinary shares in the capital of HGCS.

The above transaction is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group for the current financial year.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Goh Kian Sin
Managing Director and Chief Executive Officer
21 October 2013