

HG METAL MANUFACTURING LIMITED

(Company Registration Number: 198802660D)

(Incorporated in the Republic of Singapore)

TERMINATION OF THE PROPOSED PLACEMENT OF 253,498,089 NEW ORDINARY SHARES IN THE CAPITAL OF HG METAL MANUFACTURING LIMITED

The Board of Directors of HG Metal Manufacturing Limited (the “**Company**”) refers to the Company’s announcement dated 12 October 2015 (the “**Announcement**”) relating to the share subscription agreements dated 12 October 2015 (the “**Share Subscription Agreements**”) entered into with Mr. Yang Ho and Mr. Tan Cheng Soon respectively (the “**Subscribers**”), pursuant to which the Subscribers had agreed to subscribe for an aggregate of 253,498,089 new ordinary shares (the “**Subscription Shares**”) at S\$0.042 (the “**Subscription Price**”) for each Subscription Share (the “**Placement**”).

The Board wishes to announce that the Company and the Subscribers have mutually agreed to the termination of the Share Subscription Agreements with no further recourse. Accordingly, the Parties have also executed termination letters today to terminate the Share Subscription Agreements with immediate effect.

The Board considers that the termination of the Share Subscription Agreements will not have any material adverse impact on the business operation and financial position of the Company.

BY ORDER OF THE BOARD
HG METAL MANUFACTURING LIMITED

Foo Sey Liang
Executive Director
5 September 2016