



HG METAL MANUFACTURING LIMITED
(Company Registration No. 198802660D)

RESPONSE TO SGX QUERY ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 ("ANNUAL REPORT 2018")

The Board of Directors of HG Metal Manufacturing Limited (the "**Company**") wishes to inform shareholders that the Company has received the following query from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") regarding the Annual Report 2018 and sets out its response as follows:-

SGX-ST's query:

Kindly clarify whether and how the Company has complied with Listing Rule 1207(19a) which states that an issuer should devise and adopt its own internal compliance code to provide guidance to its officers with regard to dealing by the listed issuer and its officers in its securities.

Company's response:

As disclosed in pages 59 to 60 of the Annual Report 2018, the Company notifies all employees and officers that they are prohibited from trading in the Company's shares one month prior to the announcement of the Company's full year results and 14 days before the announcement of the three quarters of the Company's financial results (the "**Black-out Period**"). The notification to employees is part of the Company's internal compliance code, which includes the following procedures:

1. The drafting of an internal office memo containing the relevant principles set out in Listing Rule 1207(19) and that the officers and employees are also reminded to be mindful of insider trading prohibitions under the Securities and Futures Act;
2. The dissemination of the internal memo to all directors, officers and employees before the Black-out Period (being the notification referred to in the Annual Report 2018); and
3. The inclusion of the internal memo as mandatory orientation training for all new employees joining the Company and/or its subsidiaries' employment.

We confirm that we are in compliance with Listing Rule 1207(19a) and in particular, the requirement for an "internal compliance code".

By Order of the Board

Foo Sey Liang
Executive Director

24 April 2019