



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

IMPACT OF COMPLIANCE WITH THE ENHANCED MEASURES IN RELATION TO COVID-19 ON THE GROUP'S BUSINESS

The Board of Directors (the “**Directors**” or the “**Board**”) of HG Metal Manufacturing Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) refers to announcement made by Prime Minister Lee Hsien Loong on 3 April 2020 in relation to the government’s enhanced measures to implement a month-long “circuit breaker” campaign to curb further spread of COVID-19 (the “**Measures**”). Under the Measures, all workplaces except for those providing essential services and those able to operate remotely will be suspended from 7 Apr 2020 to 4 May 2020 in order to stem the spread of COVID-19.

In view that essential services and their related supply chains and service providers are exempted from the suspension and that some of the Group’s customers’ may meet the criteria as essential services under the Construction, Facilities Management and Critical Public Infrastructure category, the Group has applied to the relevant authority to seek exemption for suspension of business activities in order to continue the supply of goods and service to these customers. All other business operations of the Group in Singapore will be closed during this period in compliance with the Measures.

The Group expects that the Measures and any extension of closure period will negatively impact the Group’s cash flow and financial position. The Board would like to assure shareholders that steps are taken to conserve the Group’s cash flow and to manage the working capital during this period.

At this stage, the Group is unable to determine the extent of the financial impact of the Measures on the earnings per share and net asset value per share of the Group for the financial year ending 31 December 2020.

The Board will continue to monitor the evolving situation and will make the appropriate announcement(s) as and when there are material developments on this matter.

Shareholders and potential investors are reminded to exercise caution when dealing or trading in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board

Foo Sey Liang
Executive Director
6 April 2020