



PLACEMENT OF 25,059,406 NEW SHARES TO RAISE PLACEMENT CONSIDERATION OF S\$6.97 MILLION

- **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST FOR THE LISTING AND QUOTATION OF THE PLACEMENT SHARES**
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1. INTRODUCTION

The Board of Directors ("**Board**" or "**Directors**") of HG Metal Manufacturing Limited ("**Company**") refers to the announcement dated 31 August 2023 (the "**Placement Announcement**") in relation to the proposed placement of 25,059,406 fully paid-up ordinary shares in the capital of the Company (the "**Placement Shares**") at an issue price of S\$0.278 for each Placement Share amounting to an aggregate placement consideration of S\$6.97 million (the "**Proposed Placement**"), pursuant to the placement agreement entered into amongst the Company and the Subscribers dated 31 August 2023 (the "**Placement Agreement**"). Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings ascribed to them in the Placement Announcement.

2. RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST

2.1 Further to the Placement Announcement, the Board is pleased to announce that the SGX-ST has on 15 September 2023 granted its approval in-principle ("**AIP**") for the listing and quotation of the Placement Shares on the Mainboard of the SGX-ST, subject to the following conditions:

- (a) Compliance with the SGX-ST's continuing listing requirements; and
- (b) Submission of the following documents:
 - i. A written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the listing manual of the SGX-ST (the "**Listing Manual**") in relation to the use of the proceeds from the Placement Shares and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for general working capital in the Company's announcements on use of proceeds and in the annual report;
 - ii. A written undertaking from the Company that it will comply with Rule 803 of the Listing Manual; and
 - iii. A written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual.

The undertakings and confirmations requested in paragraph 2.1(b) above have been submitted to the SGX-ST.

2.2 Pursuant to the AIP, the Placement Shares are required to be placed out within seven (7) market days from the date of the AIP.

2.3 The AIP is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company, its subsidiaries and their securities.

3. CAUTION AND FURTHER ANNOUNCEMENTS

The Board would like to emphasise that there is no certainty or assurance that the Proposed Placement will be consummated or completed. Shareholders should note that the Proposed Placement remains subject to, amongst others, the fulfilment of the conditions precedent under the Placement Agreement. There is no certainty or assurance that the conditions precedent for the Proposed Placement can be fulfilled or that the Proposed Placement will be undertaken at all. Shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the Shares and securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their Shares or securities of the Company. The Company will make the necessary announcements as and when there are further material developments.

BY ORDER OF THE BOARD

Xiao Xia
Executive Director and Chief Executive Officer

16 September 2023