



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

**PROPOSED SUBSCRIPTION OF CLASS B PREFERENCE SHARES IN EDEN FLAME SDN. BHD.  
AS AN INTERESTED PERSON TRANSACTION - COMPLETION**

*Capitalised words which are not defined in this announcement shall carry the same meanings ascribed to them in the announcement dated 10 December 2025 ("Announcement").*

Further to the Announcement in respect of the proposed investment into Eden Flame, the Board of Directors of HG Metal Manufacturing Limited (the "Company" and together with its subsidiaries, the "Group"), wishes to announce that the Proposed Subscription has been completed today, pursuant to which the Group has paid RM9,000,000 of the aggregate subscription consideration of RM18,000,000.

As disclosed in the Announcement, the funding for the Proposed Subscription was from the proceeds from the rights issue exercise completed on 16 December 2024 and the Company would like to provide an update to shareholders on the utilisation of net proceeds from past fund-raising exercises as follows:

Date of share Placement / Rights Issue	Use of net proceeds	Amount allocated S\$'000 (*)	Aggregate Amount utilised as at the date of this announcement	Balance as at the date of this announcement
19 September 2023	General working capital	6,890	6,466 (**)	424
28 June 2024 and 15 August 2024	Capital expenditure and general working capital	13,052	-	13,052
16 December 2024	General working capital, business expansion, investments and acquisitions	19,436	3,013 (***)	16,423
	Total	39,378	9,309	29,899

\* Amounts are net of the share issuance expenses.

\*\* General working capital consists of purely trade payment for purchase of inventory.

\*\*\* The amount consists of S\$170,000 allocated to general working capital, covering professional fees and other related expenses incurred in connection with the Green Esteel Pte. Ltd. general offer in 2024, and S\$2,843,000 allocated to investment and acquisition activities, specifically for the subscription of shares in Eden Flame. Pursuant to the Company's announcement dated 11 October 2024 and the Offer Information Statement dated 21 November 2024 issued by the Company in relation to a renounceable, non-underwritten rights issue of up to 74,254,237 new ordinary shares at an issue price of S\$0.266 per Rights Share, on the basis of 10 Rights Shares for every 27 existing shares held by entitled shareholders as at the Record Date, which was completed on 16 December 2024, approximately 25% – 30% of the net proceeds from the Rights Issue will be allocated to support the Company's core business expansion, 35% – 40% for general working capital purposes, and the remaining 30% – 40% for strategic investments and/or acquisitions. The above utilization is in accordance with the Company's intended purposes as set out in the Offer Information Statement.

By Order of the Board  
**HG METAL MANUFACTURING LIMITED**

Xiao Xia  
Executive Director & Chief Executive Officer  
15 December 2025