



HG Metal Manufacturing Limited
(Company Registration No. 198802660D)
(Incorporated in the Republic of Singapore on 4 August 1988)

**PROPOSED RIGHTS ISSUE
IN-PRINCIPLE APPROVAL OF THE
SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

HG Metal Manufacturing Limited (the "**Company**") refers to the announcement dated 23 November 2006 (the "**Announcement**") relating to, *inter alia*, the Rights Issue. Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcement. In the Announcement, the Company stated that it would apply to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for approval for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST.

The Company wishes to announce that the SGX-ST has granted its in-principle approval for the listing of and quotation for the Rights Shares, subject to the following conditions:-

- (a) Shareholders' approval being obtained for the proposed Rights Issue; and
- (b) Submission of a written undertaking from the Company to provide a status report on the use of the rights issue proceeds in the annual report.

The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights Issue, the Rights Shares or the Shares.

Information on details of the Rights Issue will be provided in the Circular to be dispatched to Shareholders in due course.

BY ORDER OF THE BOARD

Foong Lee Heng
Company Secretary
8 January 2007