



HG METAL MANUFACTURING LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198802660D)

Registered Office :

30 Jalan Buroh

Singapore 619486

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be held at 28 Jalan Buroh Singapore 619484 on 29 January 2010 at 10 a.m. to transact the following business :-

Ordinary Business

1. To receive and consider the audited accounts for the year ended 30 September 2009 and the reports of the Directors and Auditors thereon.
2. To approve Directors' Fees of S\$126,333/- for the year ended 30 September 2009. [Year 2008 : S\$151,000/-].
- 3(a).To re-elect Mr Sia Ling Sing retiring in accordance with Article 89 of the Company's Articles of Association. [See Explanatory Note (a)]
- 3(b).To re-elect following directors retiring in accordance with Article 88 of the Company's Articles of Association
 - (i) Mr Chng Hee Kok
 - (ii) Mr Roy Ling Chung Yee [See Explanatory Note (b)]
- 3(c).To re-appoint Mr Gui Kim Young , a director of the Company retiring under Section 153(6) of the Companies Act, Chapter. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company. [See Explanatory Note (c)]
- 3(d).To appoint Dr Tan Eng Liang, as a director of the Company under Section 153(6) of the Companies Act, Chapter. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company. [See Explanatory Note (d)]
4. To re-appoint Ernst & Young LLP as Auditors and to authorise the Directors to fix their remuneration.

Special Business

5. To consider and, if thought fit, to pass the following resolutions with or without amendments as ordinary resolutions :-
 - 5.1 That authority be and is hereby given to the Directors of the Company to:
 - (a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (A) (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (the "Share Issues") shall not, save and except as set out in sub-paragraph (A)(2) below, exceed 50% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below);
- (2) the aggregate number of Shares to be issued pursuant to this Resolution by way of a renounceable rights issue on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (the "Renounceable Rights Issues") shall not exceed 100% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below); and
- (3) the number of Shares to be issued pursuant to the Share Issues and the Renounceable Rights Issues shall not, in aggregate, exceed 100% of the total number of the issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (B) below);
- (B) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the percentage of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or sub-division of Shares;

- (C) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association for the time being of the Company; and
- (D) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. [see Explanatory Note (e)]

5.2 That without prejudice to the generality of, and pursuant and subject to the approval of the general mandate to issue Shares set out in, Resolution 5.1, authority be and is hereby given to the Directors of the Company to issue Shares other than on a pro rata basis to shareholders of the Company, at a discount not exceeding 20% to the weighted average price of the Shares for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed (or if not available, the weighted average price based on the trades done on the preceding market day), at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit,

provided that:

- (a) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association for the time being of the Company; and
- (b) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. [see Explanatory Note (f)]

5.3 Renewal of Mandate for Interested Person Transactions.

That :-

- (i) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of interested person transactions as described in the Appendix to the Annual Report of the Company (the "Appendix"), with any party, who falls within the class of interested persons referred to in the Appendix, provided that such transactions are carried out in the normal course of business, at arm's length and on normal commercial terms and in accordance with the review procedures for the interested person transactions as set out in the Appendix;

- (ii) such approval shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and
 - (iii) the Directors be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this ordinary resolution. [See Explanatory Note (g)].
6. To transact any other business which may properly be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

FOONG LEE HENG, JASMINE
Company Secretary

Singapore,
13 January 2010

Proxies :-

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

An instrument appointing a proxy must be deposited at the Company's registered office at 30 Jalan Buroh, Singapore 619486 not less than 48 hours before the time appointed for holding the meeting.

Explanatory Notes :-

- (a) Mr Sia Ling Sing, if re-elected, will remain as a member of the Audit Committee, Nominating Committee and Remuneration Committee and will not be considered as an independent director.
- (b) Mr. Roy Ling Chung Yee, if re-elected, will remain as a member of the Audit Committee and Remuneration Committee and Chairman of the Nominating Committee. He will be considered as an independent director.
- (c) The effect of the Ordinary Resolution 3(c) above, is to re-appoint a director of the Company who is over 70 years of age. Mr Gui will, upon re-appointment as a Director of the Company, remain as Chairman of the Audit Committee, a member of Nominating Committee and Remuneration Committee and will be considered independent.
- (d) To appoint Dr Tan Eng Liang, who is over 70 years of age as a director of the Company under Section 153(6) of the Companies Act, Chapter. 50.
- (e) Ordinary Resolution 5.1 is to empower the Directors, from the date of the passing of Ordinary Resolution 5.1 to the date of the next Annual General Meeting, to issue Shares and to make or grant instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the total number of issued Shares (excluding treasury shares), with a sub-limit of 20% of the total number of issued Shares (excluding treasury shares) for issues other than on a pro rata basis to shareholders. The foregoing is subject to the exception that where the Company undertakes a renounceable pro rata rights issue of Shares (including Shares to be issued pursuant to such instruments), the maximum number of such Shares that can be issued is 100% of the total number of issued Shares (excluding treasury shares), provided that the total number of Shares which may be issued pursuant to the Share Issues and the Renounceable Rights Issues shall not exceed 100% of total number of issued Shares (excluding treasury shares). For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time that Ordinary Resolution 5.1 is passed, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution 5.1 is passed, and (b) any subsequent bonus issue, consolidation or sub-division of Shares. In exercising the authority conferred by Ordinary Resolution 5.1, the Company shall comply with the requirements of the SGX-ST (unless waived by the SGX-ST), all applicable legal requirements and the Company's Articles of Association. Rule 806 of the SGX-ST Listing Manual presently allows a listed issuer to seek a general mandate from shareholders for inter alia issuance of new shares and convertible securities on a pro rata basis amounting to not more than 50% of its issued share capital (excluding treasury shares). On 19 February 2009, the SGX-ST released a press release of new measures effective on 20 February 2009 (the "Press Release"); the new measures include allowing issuers to issue up to 100% of its issued share capital via a pro rata renounceable rights issue, subject to the condition that the issuer makes periodic announcements on the use of the proceeds as and when the funds are materially disbursed and provides a status report on the use of proceeds in its annual report. The Press Release states that this new measure will be in effect until 31 December 2010 when it will be reviewed by the SGX-ST.

- (f) Ordinary Resolution 5.2 is to empower the Directors, pursuant to the general mandate to issue Shares set out in Ordinary Resolution 5.1, to issue Shares other than on a pro rata basis to shareholders of the Company, at a discount not exceeding 20% to the weighted average price of the Shares on the SGX-ST for the full market day on which the placement or subscription agreement is signed (or if not available, the weighted average price based on the trades done on the preceding market day). In exercising the authority conferred by Ordinary Resolution 5.2, the Company shall comply with the requirements of the SGX-ST (unless waived by the SGX-ST), all applicable legal requirements and the Company's Articles of Association. Rule 811(1) of the SGX-ST Listing Manual presently provides that an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed (or if not available, the weighted average price based on the trades done on the preceding market day). The Press Release also included a new measure allowing issuers to undertake placements of new shares using the general mandate to issue shares, priced at discounts of up to 20%, subject to the conditions that the issuer seeks shareholders' approval in a separate resolution at a general meeting to issue new shares on a non pro-rata basis at a discount exceeding 10% but not more than 20%, and the general share issue mandate resolution is not conditional on this resolution. Ordinary Resolution 5.2 has been included following this new measure. The Press Release states that this new measure will also be in effect until 31 December 2010 when it will be reviewed by the SGX-ST.
- (g) The ordinary resolution set out in item 5.3 above, if passed, will renew the general mandate to allow the Company, its subsidiaries and associated companies or any of them to enter into certain interested person transactions with persons who are considered "interested persons" (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.)