



YONGNAM HOLDINGS LIMITED

(Company Registration No. 199407612N)
(Incorporated in the Republic of Singapore on 19 October 1994)

NEWS RELEASE

YONGNAM SECURES FOUR SINGAPORE CONTRACTS WORTH S\$36.2 MILLION

- ***Two Structural Steelwork projects for Evonik Industries' ("Evonik") methionine plant in Jurong Island and a proposed commercial development in the northern part of Singapore***
- ***Two Specialist Civil Engineering contracts for Singapore Changi Airport's three-runway operations and Thomson-East Coast Line***

Singapore, June 15, 2017 – Yongnam Holdings Limited ("Yongnam" or the "Group"), a well-established structural steel contractor and specialist civil engineering solutions provider, announced today the award of four contracts worth S\$36.2 million for projects in Singapore.

The first contract, awarded by Evonik Methionine (SEA) Pte Ltd, involves the supply, fabrication, surface-treatment, delivery and erection of structural steelworks plus associated building works for the construction of several industrial building structures for Evonik's methionine (Me6) plant located in Singapore's Jurong Island. The project conducted by Yongnam is expected to commence in the second half of 2017 with completion targeted in the second half of 2018. The complex will have an annual production capacity of 150,000 metric tons and is expected to become operational in 2019, with investment costs of more than half a billion euros.

For the second contract, Woh Hup (Private) Limited awarded Yongnam the structural steelwork project in a proposed new commercial development located in the northern part of Singapore. Yongnam will supply, fabricate, deliver and install the structural steelwork required in the commercial development, which will comprise an office tower, space for retail including food and beverage as well as community use, a childcare centre and two basement carparks. The project is expected to commence in the fourth quarter of 2017 and is targeted for completion in the fourth quarter of 2019.

The third contract was awarded by a joint venture between Hock Lian Seng Infrastructure and Sembcorp Design and Construction. Yongnam will be engaged in specialist civil engineering works comprising the supply and installation of Earth Retaining or Stabilising Structures (“ERSS”) works for the proposed development of Changi East to effect three-runway operations at Singapore Changi Airport – Package 2. The project is targeted for completion in the fourth quarter of 2018.

In the fourth contract, China Railway First Group Co., Ltd. Singapore branch awarded Yongnam a specialised civil engineering project for the supply and installation of tubular struts, pipe pile walls and kingposts for the facility building and tunnels for the Thomson-East Coast Line Contract T302. The project is targeted for basic structural completion in the second quarter of 2020.

The four contracts are expected to have a positive impact on the Group’s financial performance for the year ending December 31, 2017.

Mr. Seow Soon Yong, Chief Executive Officer of Yongnam, said, “We are pleased to secure these four subcontracts, which is testament to Yongnam’s reputation as a trusted partner to deliver quality projects and add value to our customers. These projects, which cover industrial plant, commercial projects and infrastructural developments, will leverage our capabilities and know-how as a well-established structural steel contractor and specialist civil engineering solutions provider.”

About Yongnam Holdings Limited

With more than 40 years of experience in steel fabrication, Yongnam excels in adding value to steel construction. The Group's two production facilities in Singapore and Nusajaya, Johor, Malaysia have a total annual production capacity of 84,000 tons of steel fabrication.

The Group utilises the latest fabrication technologies and design innovation to offer solutions to its clients on a fast-track basis. Yongnam's modular strutting system continues to give the Group a strong competitive edge in meeting increasingly more stringent design and project requirements in infrastructure and construction projects. With a traceability procedure that meets the requirements of the Singapore Building and Construction Authority ("BCA"), its modular strutting system is the first to be certified by an independent auditor for reusability in earth retaining or stabilising structures.

Yongnam's technical and value engineering solutions for steel fabrication and erection have resulted in increased productivity, improved yield and lower costs. The Group's in-house pool of experienced and qualified engineers, detailers, technicians, welders, riggers and fitters are consistently adding value to clients' projects.

Yongnam is an ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certified company, accredited fabricator of the highest S1 category from the Singapore Structural Steel Society and holds A1 Grades from the BCA for the categories of General Building and Civil Engineering. The Group's Quality Management System takes a planned approach towards continuous improvement of its products, processes and services. Yongnam has also achieved a bizSAFE Star Level award and BCA Green and Gracious Builder award.

Yongnam aims to be the partner of choice in providing solutions for the steel construction industry.

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