



YONGNAM HOLDINGS LIMITED

Co. Reg. No: 199407612N

AWARD OF C487 CONTRACT FOR THE MARINA COASTAL EXPRESSWAY

The Directors of Yongnam Holdings Limited (“Yongnam” or the “Group”), a well-established structural steel contractor and specialist civil engineering solutions provider, are pleased to announce that the Group has been awarded its second contract for Singapore’s highly anticipated new expressway, the Marina Coastal Expressway (“MCE”).

The dual five-lane, 5km-long MCE is a strategic underground East-West transport link between three major expressways, catering to the projected increase in traffic volume generated by the high-density developments in the Marina Bay area.

Yongnam will support construction works by the main contractor, Daelim Industrial Co. Ltd, through the lease supply, fabrication, installation and removal of temporary waler, strut, splay and bracing for the Contract. The main challenge for the Contract lies in the provision of the horizontal support member to cater to the wide width of the MCE tunnel, which can stretch to about 90 metres in length for some areas. The Contract is targeted for completion by end 2013.

The Contract, valued at approximately S\$53 million, is expected to have a material impact on the Group’s financial performance for the financial year ending December 31, 2009.

About Yongnam Holdings Limited

With over 30 years of experience in steel fabrication, Yongnam excels in adding value to steel construction. The Group's new fabrication factory in Nusajaya, Johor, Malaysia, with an annual production capacity of 42,000 tons of steel fabrication, commenced operation in September 2008. Together with its production facilities in Singapore, which are housed at its mega-site in Tuas, the Group has a total annual production capacity of 78,000 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. Its 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.

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, technicians, welders, riggers, fitters and detailers are consistently adding value to its clients' projects.

Yongnam is an ISO-9001:2000, IQNet and OHSAS 18001 qualified company and accredited fabricator of the highest S1 category from the Singapore Structural Steel Society. Its Quality Management System takes a planned approach towards continuous improvement of its products, processes and services. The Group aims to be the provider of choice and partner in solutions for the steel industry.

BY ORDER OF THE BOARD

SEOW SOON YONG

Chief Executive Officer

Yongnam Holdings Limited

Date: 2 March 2009