



## **YONGNAM HOLDINGS LIMITED**

Co. Reg. No: 199407612N

### **NEWS RELEASE**

#### **YONGNAM SECURES TWO CONTRACTS WORTH S\$56.5 MILLION FOR THE MRT DOWNTOWN LINE 2**

*Singapore, October 26, 2010* – Yongnam Holdings Limited (“Yongnam” or the “Group”), a well established structural steel contractor and specialist civil engineering solutions provider, is pleased to announce that the Group has been awarded its third and fourth contracts for the MRT Downtown Line 2 (“DTL 2”) valued at S\$56.5 million (the “Contract”).

Mr Seow Soon Yong, Chief Executive Officer of Yongnam said: “We are heartened by these contract wins as they serve as testaments to the confidence that our business partners have in us. We will leverage on our expertise and technical know-how in this area to further enhance our track record in the business.”

Last month, Yongnam announced its second contract win for the DTL 2 valued at S\$27.5 million, which was for the supply, lease and installation of sheet piles, soldier piles and king posts as part of the package for Contract 921. These latest contract wins are valued at S\$56.5 million and will be for the supply, installation and removal of struts and walers, as well as RC decking. In addition to Yongnam’s first DTL 2 contract win in August this year for the C918 contract package valued at S\$25.0 million, the total contract value that Yongnam has secured for the DTL 2 project amounts to S\$109.0 million.

The 16.6km long Downtown Line 2 comprises of one depot and 12 stations including three interchange stations. DTL 2 will link to the North-East Line, the North-South Line and the Circle line, giving commuters greater accessibility to the rest of Singapore and significantly reduce travelling time.

Contract 921 comprises the Rochor Station, located under the Rochor Canal, and the Little India Station, which is an interchange station, and will serve commuters in the Sim Lim Square, Sim Lim Tower, Tekka Mall and Golden Wall Centre area.

Yongnam will support the main contractor, Ssangyong Engineering & Construction Co. Ltd in the supply, installation and removal of struts and walers, as well as RC decking for Little India Station, Rochor Station and the tunnel between the two stations.

Work on the contract is expected to be completed in September 2015. It is not expected to have a significant impact on the Group's financial performance for the year ending December 31, 2010.

### **About Yongnam Holdings Limited**

With over 30 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 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. Yongnam's modular strutting system continues to give the Group a strong competitive edge in meeting increasingly 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, its modular strutting system is the first to be certified by an independent auditor for reusability in earth retaining or stabilizing 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 its clients' projects.

Yongnam is an ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certified 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. Yongnam has also achieved a bizSAFE Star Level award.

The Group aims to be the provider of choice and partner in solutions for the steel industry.

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