



YONGMAO HOLDINGS LIMITED
(Company Registration No. 200510649K)

PRESS RELEASE

YONGMAO TO BOOST ANNUAL PRODUCTION AND CAPTURE GROWING CRANE MARKET THROUGH JV

Joint venture with Wuxi Jushen will enable the Group to:

- ✓ *boost its production capacity*
- ✓ *capture opportunities created by the construction boom in the Middle East and Asia*
- ✓ *expand into Eastern China and strengthen its position in the PRC*

SINGAPORE, 23 July 2008 – With about RMB500 million of orders in hand, and the anticipation of more to come, Yongmao Holdings Limited, a leading manufacturer and exporter of towercranes in the PRC, is set to boost its annual production capacity in a bid to capture a greater share of the growing global crane market.

The Group, through its subsidiary Fushun Yongmao Construction Machinery Co., Ltd (“Fushun Yongmao”) has entered into an 80-20 joint venture with Wuxi Jushen Crane Co. Ltd (“Wuxi Jushen”), a high-quality crane manufacturer in Eastern China with a 34-year track record.

Under the terms of the agreement, Fushun Yongmao will contribute RMB 24 million in cash for an 80 per cent stake in the JV, while Wuxi Jushen will contribute RMB 6 million worth of assets for the remaining 20 per cent. The JV company, Wuxi Yongmao Towercrane Manufacturing Co. Ltd, will produce towercranes, bridge & gantry cranes, and roof top cranes under Yongmao’s brand name.

Mr. Sun Zhao Lin (孙兆林), Executive Chairman and founder of Yongmao, said, “Orders for our cranes are flowing in rapidly, driven by industrialization efforts in the Middle East and the PRC. The JV is timely, as it will enable us to avoid a potential



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bottleneck situation. At the same time, it will better equip us to capture the opportunities created by today's robust global crane market.”

Founded in 1974, Wuxi Jushen ranks among the top-500 economic enterprises in Wuxi. Operating on a staff strength of about 250, the Company is capable of producing some 150 units of towercranes, bridge & gantry cranes, and roof top cranes a year. Its facility is located on a 68,000 square metre plot of land in Wuxi, Jiangsu, close to the Huning Expressway.

Through the JV, the Group will also be able to establish a market presence in Eastern China. Said Mr. Sun, “Eastern China is expected to be the fastest growing regional market for construction machinery through 2011. The JV marks our first major foray into this region, and will also allow us to strengthen our position in the PRC.”

Apart from this JV, Yongmao is also expanding organically by constructing a new 100,000m² manufacturing facility, which when fully equipped, will be capable of producing 400 tower cranes a year. The Group also intends to produce crawler cranes at the new facility.

About Yongmao Holdings Limited

Founded in 1992 and listed on the Singapore Exchange in February 2008, Yongmao is a designer and manufacturer of towercranes and towercrane components and accessories in the PRC. The products are sold under its own brands – “永茂”, “YONGMAO” and “SUNCRANE”. The Group has developed some 50 models and sub-models of towercranes, which are broadly classified into four series: Topless STT, ST, Luffing STL and Derrick Q.

Yongmao's towercranes are sold and exported by the Company and/or its customers to countries in the Americas, Africa, the Middle East, Europe, and Asia.

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