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DELONG HOLDINGS

FOR IMMEDIATE RELEASE

DELONG SUCCESSFULLY RESTRUCTURES RMB 1.5 BILLION CONVERTIBLE BONDS

Alternative settlement scheme for RMB 1.5 billion convertible bonds will ease cash flow pressures on Group with imminent redemption and reduce gearing

SINGAPORE, 10 December 2009 – Singapore Exchange (“SGX”) Mainboard-listed **Delong Holdings Limited** (“Delong” or “the Group”), a leading manufacturer of hot-rolled steel coils (“HRC”) in the People’s Republic of China (“PRC”), is pleased to announce the successful restructuring of RMB 1.5 billion in convertible bonds (the “CB Restructuring”).

The Group had embarked on discussions with holders of its convertible bonds earlier this year. On 9 September 2009, Delong announced a proposal to amend the terms and conditions of the zero-coupon 5-year convertible bonds due 2012 (the “Old Convertible Bonds”). This proposal was approved by bond- and shareholders on 2 October 2009 and 12 November 2009 respectively.

The successful restructuring of the Old Convertible Bonds provides Delong with a financially viable scheme to fulfill its debt obligations, while reducing the Group’s gearing.

The key terms of the CB Restructuring are as follows:

	Description	Date
(i)	Initial cash settlement of US\$30 million to bondholders	26 November 2009
(ii)	Mandatory conversion of approximately US\$30 million of the old Convertible Bonds into a separate class of shares in Delong that feature put and call options and rank <i>pari passu</i> with existing common shares	26 November 2009
(iii)	Scheduled redemption of principal outstanding	31 December 2010; 31 December 2011; and 8 June 2012
(iv)	5% coupon to be paid to bondholders on all outstanding restructured convertible bonds (the “Restructured Convertible Bonds”)	Semi-annually, beginning 30 June 2010 and ending June 2012
(v)	At bondholders’ election, the Restructured Convertible Bonds can also be exchanged into a separate class of bonds which are excluded from the scheduled redemption as detailed in (iii), but carry a 5% coupon and can be converted into Delong common shares at anytime up to 1 June 2012 (the “New Bonds”)	10 December 2009

On 26 November 2009, Delong made its initial cash settlement of US\$30 million (or RMB 205 million) to bondholders, redeeming approximately US\$80 million (or RMB 546.1 million) in principal at a 62.5 per cent discount. The next two scheduled redemptions will be due 31 December 2010 and 31 December 2011, at a discount of 20.0 per cent and 15.0 per cent to the principal amount redeemed respectively.

On the same day, the Group also undertook a mandatory conversion of approximately US\$30 million (or RMB 205 million) of the outstanding debt into approximately 45.2 million converted ordinary shares of Delong at a conversion price of S\$0.9211 (being the weighted average share price between 17 August 2009 to 11 November 2009). To be held by the bondholders, this class of shares will not be listed on the Singapore Exchange Securities Trading Limited.

Commenting on the CB Restructuring, Chairman **Mr Ding Ligu** said, "We are extremely grateful for the support that our bondholders and shareholders have shown the Group throughout the process. This is the outcome that we need to achieve, in order to ensure the continued viability of the Group's operations."

"Although the operating environment is likely to remain challenging in the near-term, we have emerged from the worst. Looking forward, we remain focused on cost containment and efficiency enhancement. In time, we will also be exploring new possible routes of growth to bring the Group further and stronger," added Mr Ding.

Uncertainty surrounding the recovery of the global economy had prompted the Company to reassess its ability to fulfill its obligations under the Old Convertible Bonds, in particular its obligation to redeem in part or full the Convertible Bonds at a redemption price at 109.34% of the principal amount on 8 June 2010 at the election of the bondholders.

In 3Q2009, Delong recorded an over ten-fold surge in the Group's gross profit to RMB 248.2 million in 3Q2009 from RMB 21.7 million in 3Q2008. Net profit after tax was RMB 139.1 million in 3Q2009, compared with a net loss after tax of RMB 63.2 million in 3Q2008.

###End of Release###

Issued on behalf of Delong Holdings Limited by SPRG

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About Delong Holdings Limited

Singapore Exchange Mainboard-listed **Delong Holdings Limited** ("Delong" or the "Group") is a dedicated steel manufacturing group located in the People's Republic of China, specialising in the manufacture of hot-rolled steel coils ("HRC"). Delong's production base, strategically located 430 km southwest of Beijing, sits in proximity to abundant raw material sources and an extensive client base encompassed within the Bohai Economic Circle. With strong capabilities in manufacturing HRC of customisable widths and thicknesses, Delong's products cater to the highly specific needs of its clients in the infrastructure, pipe and machinery fabrication, as well as automotive industries.