



**PRESS RELEASE**

**Delong Holdings Completes its First RMB65 Million Co-Generation Power Plant in Hebei Province To Achieve Estimated RMB40 Million Savings Annually**

**Coal usage to decrease by about 36,000 tons a year**

**Carbon emissions to reduce by about 98,000 tons a year**

SINGAPORE, 20 September, 2011 – With the completion of its first co-generation power plant in Hebei Province, Singapore Exchange (“SGX”) Mainboard-listed Delong Holdings Limited (“Delong” or “the Group”), a manufacturer of hot-rolled steel coils (“HRC”) in the People’s Republic of China (“PRC”) will enjoy substantial savings in costs and at the same time make positive contributions to the environment by reducing carbon emissions and pollution.

The co-generation 15MW power plant, located within a five kilometer radius of Xingtai City, in Hebei Province, generates power by utilizing waste heat and gas from the Group’s blast furnaces and converter furnaces in the production process of its steel products.

Construction of the co-generation power plant, which started in August 2010, was completed on time in September 2011. The total investment in the plant is about RMB 65 million.

The co-generation power plant will reduce the Group’s total coal usage by about 36,000 tons a year, thereby reducing total production costs of an estimated RMB 40 million annually. In addition, the plant will also reduce carbon emissions by about 98,000 tons a year.

“The setting up of this co-generation power plant is in line with our commitment to achieve our environmental goals, which are also congruent

with the Chinese Government measures to lower emissions and reduce pollution.

The operation of this plant not only saves energy, but also brings about a radical improvement in the air quality and overall environment. We can reduce our production costs and energy consumption, and also be able to overcome issues arising from local power supply shortages. What's more, we are very pleased that we have created new employment for 60 workers with the setting up of this new plant. Therefore, with this power plant, the Group has created both environmental and social benefits for the community," said Delong's Chairman Mr Ding Liguo.

Delong has a strong track record in achieving cost savings from the recycling of waste gas, water and residue. Its improvement in smelting technology and use of scrap steel has also contributed much to the production efficiency of the Group.

### **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.

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*Release issued on behalf of Delong Holdings Limited by  
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