



NAM CHEONG LIMITED
(Company Registration No. 25458)
(Incorporated in Bermuda)

RESTRUCTURING AND COMPANY'S DEBT STANDSTILL

1. INTRODUCTION

The Board of Directors (the "**Board**") of Nam Cheong Limited (the "**Company**") and its subsidiaries (together the "**Group**") refers to its announcement made on 23 April 2017 in relation to the steps taken by the Company to review its options to restructure its businesses, operations and balance sheet to preserve value for the stakeholders of the Company to position the Group to ride out the challenging market environment, including the steps taken by the Group to address various obligations owed by the Group that have fallen due and will fall due from time to time ("**Restructuring**").

The Company also refers to its S\$90,000,000 5.00 per cent. Notes due 2017 comprised in Series 002 (ISIN: SG57D8996134) (the "**Series 002 Notes**"), S\$200,000,000 5.05 per cent. Notes due 2019 comprised in Series 003 (ISIN: SG6SE6000003) (the "**Series 003 Notes**"), and the S\$75,000,000 6.50 per cent. Notes due 2018 comprised in Series 004 (ISIN: SG6YE4000003) (the "**Series 004 Notes**" and together with the Series 002 and 003 Notes, the "**Notes**") in each case, issued pursuant to the Company's S\$600,000,000 Multicurrency Medium Term Note Programme of the Company and Nam Cheong Capital Pte. Ltd.

Based on the financial statements of the Group for the first quarter ended 31 March 2017 and announced on 15 May 2017, the amount outstanding under bank loans and the Notes by the Group is approximately RM1,836,486,000.

2. COMPANY'S DEBT STANDSTILL AND COUPON PAYMENTS

While the Restructuring is ongoing, the Company has decided to temporarily cease repayment on all of the Company's borrowings.

Accordingly, the Company wishes to announce that it will not be making payment of the next coupon payment due on 23 July 2017 with respect to the Series 004 Notes. The Company will be in communication with the trustee of the Notes on this issue.

3. RESTRUCTURING

The Company has appointed PricewaterhouseCoopers Advisory Services Pte. Ltd. ("**PwC**") as its financial advisor to advise and assist the Group, as appropriate, on suitable Restructuring options for the Group. The Company has started discussions with the Group's bank lenders with a view to restructure the Group's bank facilities. The Company will also continue to engage in discussions with all stakeholders, including the holders of the Notes

and trustee of the Notes, with respect to the Restructuring to arrive at a restructuring plan that will achieve a fair and acceptable resolution for all stakeholders and position the Group to ride out the challenging market environment,

No definitive agreements in relation to the Restructuring have been entered into by the Group as at the date of this announcement. There can be no assurance or reasonable certainty that any discussions or any Restructuring options will materialise or be successfully concluded, though the Group will work intensively to achieve resolution. In the event the Restructuring is not favourably completed in a timely manner, the Company and the Group will be faced with a going concern issue.

Further announcements will be made by the Company and the Board via SGXNET as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

Given the above matters and pending the completion of the Restructuring, stakeholders and potential investors should exercise caution when trading in the Company's securities. When in doubt as to the action they should take, stakeholders and potential investors should consult their financial, tax or other advisers.

By Order of the Board
Nam Cheong Limited

Tan Sri Datuk Tiong Su Kouk
Executive Chairman

20 July 2017