



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

UPDATE ON RESTRUCTURING

- **APPROVAL IN PRINCIPLE OF TRADING RESUMPTION PROPOSAL**
 - **APPROVAL IN PRINCIPLE FOR THE LISTING AND QUOTATION OF SHARES TO BE ISSUED PURSUANT TO THE PROPOSED SCHEME**
 - **RECEIPT OF NO OBJECTION NOTIFICATION PURSUANT TO LISTING RULE 906(3)**
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1. INTRODUCTION

The Board of Directors ("**Board**") of Nam Cheong Limited ("**Company**") and its subsidiaries (together, the "**Group**") refer to:

- (a) its announcement dated 28 April 2020 in relation to the voluntary suspension in the trading of the Company's securities;
- (b) its announcement dated 1 October 2020 in relation to NCD's admission into the Corporate Debt Restructuring Committee of Malaysia;
- (c) its announcements dated 25 May 2022 and 20 April 2023 in relation to the update on restructuring;
- (d) its announcement dated 24 April 2023 in relation to the submission of the Company's resumption proposal ("**TRP Application Announcement**");
- (e) its announcement dated 28 April 2023 in relation to the entry into placement agreement ("**Proposed Private Placement Announcement**");
- (f) its announcement dated 9 May 2023 in relation to the submission of whitewash waiver application;
- (g) its announcement dated 30 May 2023 in relation to the receipt of whitewash waiver;
- (h) its announcement dated 25 July 2023 in relation to the application for extension of time to comply with the conditions to the whitewash waiver;
- (i) its announcement dated 28 July 2023 in relation to receipt of approval of the extension of time application to comply with the conditions to the whitewash waiver;
- (j) its announcement dated 6 November 2023 in relation to the update on Restructuring regarding the outcome of Scheme Meeting and the intended sanction application in respect of the New NCL Scheme;
- (k) its announcement dated 30 November 2023 in relation to the application for further extension of time to comply with the conditions to the whitewash waiver;
- (l) its announcement dated 5 October 2023 in relation to the proposed share consolidation;
- (m) its announcement dated 1 December 2023 in relation to the proposed capital reorganisation;

- (n) its announcement dated 21 December 2023 in relation to the High Court of Malaya's approval of the New NCL Scheme and granting of orders relating to the same ("**Malaysia Scheme Sanction Announcement**");
- (o) its announcement dated 9 January 2024 in relation to the update on Restructuring regarding the application for the recognition of the New NCL Scheme; and
- (p) its announcement dated 11 January 2024 in relation to the Singapore High Court's directions regarding the Singapore Recognition Application case conference.

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the aforementioned announcements in the order of their recency, i.e. the most recent of the aforementioned announcements shall prevail over earlier announcements for the purposes of interpreting such terms.

2. APPROVAL-IN-PRINCIPLE OF THE TRADING RESUMPTION PROPOSAL

Further to the TRP Application Announcement, the Board is pleased to announce that the Company has, on 31 January 2024, received the approval in-principle of its Resumption Proposal subject to the following:

- (a) The Malaysia Scheme being sanctioned by the High Court of Malaya; and
- (b) Completion of the proposed debt restructuring plan comprising of, amongst others, (i) repayment of debts and liabilities owed to Scheme Creditors; (ii) repayment of debts and liabilities owed to Participating Lenders pursuant to the Debt Restructuring Master Agreement; and (iii) proposed placement to Tan Sri Datuk Tiong Su Kouk.

In relation to Paragraph 2(a) above, as mentioned in the Malaysia Scheme Sanction Announcement, the High Court of Malaya has granted and sanctioned the New NCL Scheme. Accordingly, the Company has fulfilled the condition under Paragraph 2(a) above.

The completion of the Restructuring is subject to certain conditions precedent which includes, *inter alia*, the approval of the shareholders to the proposed resolutions in relation to the corporate exercises to be tabled at the upcoming SGM to be convened in connection with the Proposed Scheme and the completion of the Proposed Private Placement.

3. APPROVAL IN-PRINCIPLE FOR THE LISTING AND QUOTATION OF NEW SHARES

The Company has, on 31 January 2024, received an approval in-principle of the Company's application for the listing and quotation of the following:

- (a) Up to 79,571,812 new consolidated shares pursuant to a proposed share consolidation of every 100 existing shares into 1 consolidated share ("**Consolidated Shares**");
- (b) Up to 202,187,230 new ordinary shares in the capital of the Company to be issued at S\$0.40 per ordinary share ("**Conversion Shares**") to the scheme creditors pursuant to the Malaysia scheme of arrangement;
- (c) Up to 5,201,593 new ordinary shares in the capital of the Company to be issued at S\$0.40 per ordinary share ("**RTL 3 Shares**") to be issued to one of the financial institution lender, DBS Bank Ltd., pursuant to the debt restructuring master agreement;
- (d) Up to 10,981,923 new ordinary shares in the capital of the Company to be issued at S\$0.0697 per ordinary share ("**Settlement Shares**") to Sage 3 Capital Sdn Bhd;
- (e) Up to 125,507,689 new ordinary shares in the capital of the Company to be issued at S\$0.0697 per placement share ("**Placement Shares**") to Tan Sri Datuk Tiong Su Kouk pursuant to the proposed private placement as an interested person transaction; and

- (f) New ordinary shares in the capital of Company to be issued in connection with the proposed adoption of the Nam Cheong Incentive Plan 2024 (the “**Award Shares**”).

The approval in-principle is subject to the following:

- (a) Compliance with the Exchange’s listing requirements;
- (b) Shareholders’ approval for the proposed Conversion Shares, proposed RTL 3 Shares, proposed Settlement Shares, proposed Placement Shares, proposed whitewash resolution, proposed termination of the Nam Cheong Management Incentive Plan 2018, proposed adoption of a new Nam Cheong Management Incentive Plan 2024 and proposed grant of awards to controlling shareholder and his associates;
- (c) A written undertaking from the Company that it will comply with Listing Rule 704(30) and Listing Rule 1207(20) in relation to the use of the proceeds from the proposed placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report; and
- (d) A written undertaking from the Company that it will comply with Listing Rule 803

The Exchange’s in-principle approval is not to be taken as an indication of the merits of the Conversion Shares, RTL 3 Shares, Settlement Shares, Placement Shares, Award Shares, proposed private placement, the Company and/or its subsidiaries.

In respect of the conditions set out in (c) and (d) above, the Company has submitted the written undertaking to the Exchange on 2 February 2024.

4. PROPOSED PRIVATE PLACEMENT - RECEIPT OF NO OBJECTION NOTIFICATION PURSUANT TO RULE 906(3)

Further to paragraph 7 of the Company’s Proposed Private Placement Announcement, the Company has, on 31 January 2024, received a no objection notification pursuant to Listing Rule 906(3) to use the market capitalisation of the Company as a reference point to determine the materiality of the Proposed Private Placement under Listing Rule 906(1).

5. CIRCULAR TO SHAREHOLDERS

A circular containing, *inter alia*, the notice of the SGM and the details in relation to the corporate actions to be undertaken and pursuant to which the Company will be issuing the abovementioned shares (“**Circular**”) will be despatched to Shareholders in due course.

6. FURTHER ANNOUNCEMENTS

Any further material developments relating to the Restructuring will be disseminated at the appropriate juncture. There is no assurance or reasonable certainty that any Restructuring options will be successfully concluded, although we are hopeful that the Group can achieve a viable solution going forward. In the event the Restructuring is not concluded within a timely manner, the Company / Group will continue to 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 material developments, in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

7. CAUTIONARY STATEMENT

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.

Trading in the Company's securities on the SGX-ST were voluntarily suspended on 28 April 2020.

**BY ORDER OF THE BOARD
NAM CHEONG LIMITED**

Kong Wei Fung
Cheok Hui Yee
Company Secretaries

2 February 2024