



NAM CHEONG LIMITED
(Incorporated in Bermuda)
(Company Registration Number 25458)

RESPONSE TO THE QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON ANNUAL REPORT 2015

The Board of Directors of Nam Cheong Limited (the "**Company**") refers to the query received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 8 April 2016 in relation to the Company's Annual Report for FY2015 ("**Annual Report**").

SGX-ST Query 1

Paragraph 11.3 of the Code of Corporate Governance 2012 (the "**Code**") states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the Company's Annual Report. As recommended in paragraph 11.3 of the Code and pursuant to Rule 710 of the Listing Manual, please disclose the Board's comments on the adequacy and effectiveness of the Company's Information Technology controls or otherwise explain the reason(s) for the deviation from the Code.

Company's Response:

Based on the internal controls established and maintained by the Company, work performance by the internal and external auditors and performance reviews by Management, the AC and the Board are of the opinion that the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2015.

BY ORDER OF THE BOARD
NAM CHEONG LIMITED

Datuk Tiong Su Kouk
Executive Chairman

12 April 2016