



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

ANNOUNCEMENT

UPDATE ON THE USE OF PROCEEDS FROM THE RIGHTS ISSUE

1. INTRODUCTION

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

- (a) its announcement dated 4 December 2017 in relation to the proposed capital reorganisation ("**Capital Reorganisation**") and the proposed renounceable non-underwritten rights issue ("**Rights Issue**") under a scheme of arrangement between the Company and its creditors ("**Scheme**");
- (b) its circular to Shareholders dated 27 July 2018 relating to, amongst others, the issuance of the Term Loan Shares ("**Circular**");
- (c) its announcement dated 21 August 2018 in relation to, amongst others, the results of the special general meeting held on 20 August 2018, the resumption of trading and the effective date of the Capital Reorganisation;
- (d) its announcement dated 24 August 2018 in relation to, amongst others, the notice of the books closure date for the Rights Issue;
- (e) the offer information statement dated 3 September 2018 relating to the Rights Issue ("**Offer Information Statement**");
- (f) its announcement dated 3 September 2018 in relation to, amongst others, the lodgement and dispatch of the Offer Information Statement;
- (g) its announcement dated 26 September 2018 in relation to the results of the Rights Issue ("**Results Announcement**"); and
- (h) its announcement dated 28 September 2018 and 27 December 2018 in relation to the update on the use of proceeds from the Rights Issue.

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Circular and the Offer Information Statement.

2. UPDATE ON THE USE OF PROCEEDS FROM THE RIGHTS ISSUE

Further to the update on the use of proceeds from the Rights Issue announced on 28 September 2018 and 27 December 2018, the Board wishes to further announce that approximately S\$7.7 million, representing the remaining 35.0% of the Net Proceeds from the Rights Issue, have been utilised for part settlement with various trade creditors in the course of the operations of the Group, and the Net Proceeds from the Rights Issue have been fully utilised.

The above utilisation of the Net Proceeds is in accordance with the stated use and within the amount allocated for the operations of the Group, as previously stated in the Offer Information Statement.

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

Tan Sri Datuk Tiong Su Kouk
Executive Chairman

4 November 2019