



NAM CHEONG LIMITED

(Company Registration No.: 25458)

(Incorporated in Bermuda)

(the "Company")

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting ("SGM") of Nam Cheong Limited ("Company") will be held at Riverview Hotel, Lily Ballroom, Level 4, 382 Havelock Road, Singapore 169629 on 28 April 2014 at 10.15 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolution:

Resolved as Ordinary Resolution:

1. Proposed Renewal of the Share Buy-Back Mandate

That:

- (a) the resolution empowering the directors (of the Company) ("**Directors**") to purchase and acquire shares and convertible securities in the capital of the Company passed in the Company's special general meeting on 29 April 2013 be superseded by the following resolutions in paragraphs 1(b) to (f);
- (b) the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the share capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), and subject to the Minimum Free Float (as hereinafter defined) at such price or price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) on-market purchases, transacted on the ready market of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), or as the case may be, other stock exchange for the time being on which the Shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**On-Market Share Purchases**"); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by Section 76C of the Companies Act (Chapter 50) of Singapore and the Listing Manual of the SGX-ST ("**Off-Market Share Purchases**"),

and otherwise in accordance with all other applicable laws and regulations (including the provisions of the Companies Act 1981 of Bermuda, as amended, supplemented or modified from time to time ("**Bermuda Companies Act**")) and the provisions in the Listing Manual of the SGX-ST as may for the time being as applicable, be and is hereby authorised and approved generally and unconditionally ("**Share Buy-Back Mandate**");

- (c) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate shall, at the absolute discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Bermuda Companies Act;
- (d) the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution numbered 1 and expiring on the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the date by which the next annual general meeting of the Company is required to be held;
- (iii) the date on which the purchases of Shares by the Company are carried out to the full extent mandated; or
- (iv) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked by ordinary resolution of the Company in general meeting.

- (e) in this resolution numbered 1

"**Prescribed Limit**" means the number of Shares representing 10% of the total issued ordinary share capital of the Company as at the date of the passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Bermuda Companies Act, at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting of the Company is held or is required to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or superseded by resolution of the shareholders of the Company in general meeting;

"**Minimum Free Float**" means at least 10% of the total number of issued Shares of the Company (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public;

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Share Purchase, 120% of the Highest Last Dealt Price, where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last 5 Market Days ("**Market Day**") being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Share immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

For the purpose of the definition of **Highest Last Dealt Price** above, "**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the Share Purchase, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- (f) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he/she may consider expedient, necessary, desirable, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution numbered 1.

(Resolution 1)

By Order of the Board

Company Secretary
Singapore

28 March 2014

Notes:

Unless The Central Depository (Pte) Limited ("**CDP**") specifies otherwise in a written notice to the Company, CDP shall be deemed to have appointed as CDP's proxies to vote on behalf of CDP at the SGM each of the Depositors who are individuals and whose names are shown in CDP's records as at a time not earlier than forty-eight (48) hours prior to the time of the SGM. Therefore, Depositors who are individuals can attend and vote at the SGM without the lodgement of any Depositor Proxy Form (as defined below).

A Depositor registered and holding Shares through CDP who is an individual but is unable to attend the SGM personally and wishes to appoint a nominee to attend and vote on his/her behalf as CDP's proxy must complete, sign and return the proxy form which is despatched together with this Circular to Depositors ("**Depositor Proxy Form**") completed by CDP in accordance with the instructions printed thereon and deposit the duly completed Depositor Proxy Form at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the SGM. Similarly, a Depositor who is a corporation and who wishes to attend the SGM must submit the Depositor Proxy Form for the appointment of nominees(s) to attend and vote at the SGM on its behalf as CDP's proxy

If a Shareholder who is not a Depositor is unable to attend the SGM and wishes to appoint a proxy to attend and vote at the SGM in his stead, then he should complete and sign the proxy form despatched to Shareholders who are not Depositors ("**Shareholder Proxy Form**") and deposit the duly completed Shareholder Proxy Form at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the SGM. Such proxy need not be a member of the Company.

To be effective, the Depositor Proxy Form or the Shareholder Proxy Form must be deposited by a Depositor or a Shareholder (as the case may be) at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, no later than 10.00 a.m. on 26 April 2014.

The completion and return of the Depositor Proxy Form or the Shareholder Proxy Form will not prevent him from attending and voting in person at the SGM if he wishes to do so, in place of his/her/its proxy.