



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

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## GROUP FINANCIAL AND OPERATIONS REVIEW

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The Board of Directors (“**Board**”) of Nam Cheong Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 11 March 2020 and 14 April 2020 (“**Announcement**”).

The Company wishes to announce that arising from recent severe adverse events, including the sharp downturn in the global oil and gas industry and the extension of Movement Control Order, which are expected to protract, the Group’s current operating condition, financial position and business outlook have been adversely impacted significantly. The Company has immediately taken steps to review various options to realign its businesses, operations and balance sheet to preserve its value for the stakeholders of the Company. In this regard, the Company wishes to update shareholders of the following steps taken or will be taking by the Group as part of on-going measures to position the Group to ride out this incredibly challenging market environment:

- (a) The Group is on the course of holding discussions with its principal lenders and may appoint advisors to help address significant debt maturities, which may include, inter alia, extension of the maturities and/or restructuring of existing loans (“**Restructuring**”).
- (b) The Group is reviewing its cash flow projections, in the face of the great business uncertainties, operational disruptions and costs containment measures. It will be entering into discussions with various parties regarding possible actions to contain operating costs and to preserve working capital to fund the Group’s operations.
- (c) The Group will explore various strategies to bolster its financial position whilst continuing its cost rationalisation measures to improve overall competitiveness.

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. 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

24 April 2020