



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

## **ANNOUNCEMENT**

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### **OUTCOME OF SCHEME MEETING OF NCL**

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The Board of Directors (the “**Board**”) of Nam Cheong Limited (the “**Company**”) refer to the following:

- (a) its announcement dated 9 October 2017 and 24 October 2017 in relation to the Company’s application on 6 October 2017 to the High Court of the Republic of Singapore (“**Court**”) pursuant to (a) Section 210(1) of the Companies Act (Cap. 50, 2006 Revised Edition) (“**Companies Act**”) to convene a meeting of its creditors (“**Scheme Meeting**”); and (b) Section 211B of the Companies Act and/or the inherent jurisdiction of the Court for the Moratorium (collectively, the “**Application**”);
- (b) its announcement dated 30 October 2017 in relation to the grant of the Application by the Court to convene a meeting of its creditors for the purposes of considering and approving with or without modification a scheme of arrangement proposed to be made between the Company and its creditors pursuant to Section 210(1) of the Companies Act;
- (c) its announcement dated 23 November 2017 in relation to *inter alia* the holding of the Scheme Meeting in respect of a scheme of arrangement (“**NCL Scheme**”) to be proposed by the Company to its Creditors (as defined in the NCL Scheme) on 24 January 2018 at 10:00am.

(collectively, the “**Previous Announcements**”)

Unless otherwise defined, terms used in the Previous Announcements shall have the same meaning when used herein.

#### **1. OUTCOME OF THE COURT CONVENED MEETINGS OF NCD AND NCI**

The Board is pleased to announce that, at the Scheme Meeting convened on 24 January 2018 at 10:00am, a majority of 97.047% in number, representing 94.139% of the total value of the Creditors (as defined in the NCL Scheme) present and voting either in person or by proxy, have approved the NCL Scheme proposed by the Company.

This satisfies the statutory requirement under Section 210(3AB) of the Companies Act that the NCL Scheme must be approved by a majority in number representing three-fourths in value of the Creditors present and voting either in person or by proxy at the Scheme Meeting.

Of the 94.139% of the total value of Creditors who have voted “For the Scheme”:

- (a) 94.420% in value of such creditors have elected the Term Loan Option; and
- (b) 5.580% in value of such creditors have elected the Cash Out Option.

Of the 5.861% in value of the Creditors who have voted “Against the Scheme”, all such creditors are deemed to have elected the Term Loan Option.

Consequently, pursuant to the terms of the NCL Scheme and upon the NCL Scheme becoming effective, approximately 70% of the RM50 million deposited into the Escrow Account (as defined in the NCL Scheme) will be available as working capital and the balance amount shall constitute Cash Out Payment (as defined in the NCL Scheme).

The Company is gratified and heartened that the Creditors have collectively decided to place their faith and trust in the Company and the NCL Scheme. With the Creditors’ support, the Company is confident of turning around its business and achieving the targets set out in the NCL Scheme. The collective effort of all Creditors is and continues to play an important role in the successful restructuring of the Company and the Company is committed to working closely with the Creditors and doing its very best to reciprocate the faith shown by the Creditors.

*“We are thankful for the strong support and trust placed by the Creditors, who have displayed their confidence in their votes in the NCL Scheme. We are confident and committed to see the resurgence of Nam Cheong’s growth.” – Tan Sri Datuk Tiong Su Kouk, Executive Chairman of the Company*

*“We believe that the recovery of the oil prices over the past 12 months has paved the way for the eventual upcoming growth cycle of the offshore & marine industry that we have been waiting for. With the firm and time-tested support from the banks, noteholders and major shareholder affirmed through this exercise, I must say that we are more than ready to ride the next growth trajectory.” – Leong Seng Keat, Chief Executive Officer of the Company*

## **2. NEXT STEPS**

The effectiveness of the NCL Scheme is conditional upon *inter alia* the Court granting orders to sanction the NCL Scheme (“**Singapore Court Sanction Orders**”) and the High Court of Malaya granting orders to sanction the NCD Scheme and NCI Scheme, both of which were approved by the Scheme Creditors (as defined in the NCD Scheme and NCI Scheme) at their respective Court Convened Meetings which was held on 22 January 2018 in Kuala Lumpur, Malaysia.

The Company will file an application to the Court for the sanction of the NCL Scheme. Subject to the Company obtaining the Singapore Court Sanction Orders, the Company will in due course lodge copies of the Singapore Court Sanction Orders with the Accounting and Corporate Regulatory Authority in accordance with Section 210(5) of the Companies Act.

The financial advisors of the Group are PricewaterhouseCoopers Advisory Services Pte. Ltd.. The legal advisors of the Group for Singapore are Drew & Napier LLC. The legal advisors of the Group for Malaysia are Skrine.

## **3. CAUTIONARY STATEMENT**

The NCL Scheme, including the respective explanatory statements, contain extensive information and details and should be read in its entirety. Further, the NCL Scheme are subject to conditions precedent, and there is no assurance as at the date of the announcement that the NCL Scheme will be completed or that no changes will be made to the terms thereof. Creditors (as defined in the NCL Scheme) should consult their bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

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.

Trading in the Company's securities on the SGX-ST has been voluntarily suspended by the Company on 21 July 2017.

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 January 2018