



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

SETTLEMENT IN RESPECT OF THE ARBITRATION PROCEEDINGS

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Nam Cheong Limited (the “**Company**”) and its subsidiaries (the “**Group**”) refers to the following announcements:

- (i) its announcement dated 2 December 2016 in relation to the termination of the sale of a Vessel between its subsidiary Nam Cheong International Ltd (“NCIL”) and Petra Offshore Ltd (“POL”), a wholly owned subsidiary of Perdana Petroleum Berhad, entered on 23 June 2014 (“Contract”); and
- (ii) its announcement dated 22 December 2016 in relation to a notice of arbitration (“NOA”) served by NCIL to POL pursuant to the Kuala Lumpur Regional Centre For Arbitration Rules 2013.

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

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

2. SETTLEMENT IN RESPECT OF THE ARBITRATION PROCEEDINGS

Prior to the hearing of the arbitration proceedings, NCIL and POL have agreed to amicably settle their respective claim and the counterclaim. Terms are confidential.

The settlement in respect of the arbitration proceedings is not expected to have an impact to the earnings of the Group for the financial year ending 31 December 2018.

By Order of the Board
Nam Cheong Limited

Tan Sri Datuk Tiong Su Kouk
Executive Chairman

29 August 2018