



NAM CHEONG LIMITED
(Incorporated in Bermuda)
(Company Registration Number: 25458)

RECEIPT OF WRIT OF SUMMONS FROM AMBANK (M) BERHAD

The Board of Directors (the “**Board**”) of Nam Cheong Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 23 April 2017 where the Company announced, *inter alia*, that the Group and its advisers held discussions with its principal lenders to address significant debt maturities and various obligations owed to financial lenders and trade creditors that have fallen due and will fall due from time to time, which may include, *inter alia*, refinancing and/or restructuring of existing loans (the “**Restructuring**”).

The Board wishes to update that whilst discussions have been ongoing with the Group’s principal lenders in relation to the Restructuring options, the Company and its wholly-owned subsidiary, Nam Cheong Dockyard Sdn Bhd (“**NCD**”), have on 9 August 2017 received a writ of summons and statement of claim dated 7 August 2017 filed by AmBank (M) Berhad (“**AmBank**”) in the High Court of Malaya at Kuala Lumpur, Malaysia (the “**Writ of Summons**”).

Pursuant to the Writ of Summons, AmBank is claiming against NCD as borrower under credit facilities granted by AmBank and against the Company as guarantor of the said facilities for the sum of RM70,402,636.90 as at 31 July 2017, together with interest and costs on a solicitor-client basis allegedly due to AmBank for the breach of the facilities.

The Company and NCD are currently reviewing the Writ of Summons and seeking legal advice on this matter. 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.

In the meanwhile, the Group remains committed to the Restructuring and will continue to engage in discussions with its principal lenders (including AmBank) and other key stakeholders in relation to the Restructuring. However, there can be no assurance or reasonable certainty that any discussions or any Restructuring options will materialise or be successfully concluded.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. When in doubt as to the action they should take, shareholders and potential investors should consult their legal, financial, tax or other advisers.

BY ORDER OF THE BOARD
NAM CHEONG LIMITED

Tan Sri Datuk Tiong Su Kouk
Executive Chairman
10 August 2017