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## NEWS RELEASE

# Nam Cheong secures long-term chartering contracts worth RM130 million, including option for extension

- Secured three-year chartering contracts for one Platform Supply Vessel (PSV) and two Anchor Handling Tug Supply (AHTS) vessels to service oil majors in Malaysian waters
- With the new contracts, chartering order book stands at RM295 million, including option for extension of RM140 million
- Contract wins reinforces Nam Cheong's strategy to grow vessel chartering segment

**Singapore, 29 May 2019 – SKOSV SDN BHD, an indirect subsidiary of Nam Cheong Limited (“Nam Cheong” or “NCL” or the “Group”), one of Malaysia’s largest Offshore Support Vessel (OSV) providers, has clinched long-term<sup>1</sup> chartering contracts for three OSVs worth approximately RM80 million with Malaysian oil majors, with an option for extension valued at RM50 million.**

The three vessels will be used to service works on floating LNG facilities and other production operations in Malaysian waters until 2022, with optional extension period running until 2024.

The contracts are expected to contribute positively to the Group’s financial performance from the financial year ending 31 December 2019 through to 31 December 2022.

With the additional contracts, the Group’s chartering orderbook will grow to RM295 million (including option for extension of RM140 million).

Commenting on the new contract wins, **Mr. Leong Seng Keat, Chief Executive Officer of Nam Cheong** said, *“Through years of unceasingly delivering performance, we have nurtured working relations that have withstood volatilities in the industry and solidified our expertise to build relations with new clients.*

*With the OSV industry steadily gaining pace, our focus for growth now shifts to our 32-strong fleet as we bolster our chartering operations to capture the gradually recovering market. We are steadily scaling up our capabilities and expertise to better service oil and gas players’ offshore support needs, with an eye on other business opportunities in the offshore marine industry.”*

None of the Directors or controlling shareholders of Nam Cheong has any interest, direct or indirect, in the above transactions other than through their shareholdings in Nam Cheong.

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<sup>1</sup> Chartering contracts of duration of over a year



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## **ABOUT NAM CHEONG LIMITED (BLOOMBERG TICKER NCL: SP)**

Headquartered in Kuala Lumpur, Malaysia, Nam Cheong Limited (“Nam Cheong” or the “Group”) is a global offshore marine group specialising in the building and chartering of OSVs. Since its humble beginnings in 1968 building only fishing vessels, the Group is now Malaysia’s largest OSV builder, owning and operating one of the largest shipbuilding yards for OSVs in Malaysia.

The Group focuses on OSV chartering, as well as the construction and engineering of sophisticated, environmentally friendly and quality OSVs that are equipped with the latest technology for use in the offshore oil and gas exploration and production (“E&P”) and oil services industries, with customers hailing from Malaysia, Southeast Asia, Middle East, West Africa, Latin America, Europe, and the United States. The Group has delivered over 140 vessels since 2007, which include anchor handling towing supply (“AHTS”) vessels, platform supply vessels (“PSVs”), accommodation work boats and accommodation work barges.

Beyond building some of the most sophisticated OSVs, Nam Cheong is expanding its vessel chartering operations, which has grown to make up 41% of FY2018’s revenue base. The Group currently has a chartering fleet of 32 vessels. Nam Cheong was successfully listed on SGX-ST on May 27, 2011.

<http://www.namcheong.com.my>

Issued for and on behalf of Nam Cheong Limited by **Financial PR**

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