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NEWS RELEASE

Nam Cheong continues the order winning momentum with new charter contracts worth a total of RM116.4 million

- The contracts are for six vessels, including two accommodation work barges (“AWB”), three anchor handling towing supply (“AHTS”) vessels and one platform supply vessel (“PSV”)
- With the new contracts, total order book increased to RM318.2 million, after including revenues from options for extension

Singapore, 3 March 2020 – Nam Cheong Limited (“Nam Cheong” or the “Group”), one of Malaysia’s largest Offshore Support Vessel (OSV) providers, is pleased to announce that it has clinched chartering contracts for six OSVs with foreign oil majors worth RM116.4 million including options to extend.

The six chartering contracts are for two accommodation work barges (“AWB”), three anchor handling tug supply (“AHTS”) vessels and one platform supply vessel (“PSV”). The vessels will be mainly operated in East Malaysia waters to support the drilling activities of foreign oil majors.

Together with the RM54.8 million order clinched in December 2019, these contracts are expected to contribute positively to the Group’s financial performance for the financial year ending 31 December 2020 and 31 December 2021.

With the new order wins, Nam Cheong’s total order book stands at RM318.2 million, after including revenues from options for extension.

Nam Cheong’s revenue from vessel chartering for FY2019 surged by 112% year-on-year from RM134.5 million in FY2018 to RM285.4 million in FY2019, mainly attributable to the expanded fleet size from 28 vessels in FY2018 to 36 in FY2019.

Commenting on the new contract wins, **Mr. Leong Seng Keat, Chief Executive Officer of Nam Cheong** said, *“The sizable new order wins are a good start for the year, adding more stability and visibility to our revenue and order book going forward. While we remain vigilant on the market outlook, we will continue to capitalize on our capabilities and reputation in vessel chartering business and diversify into Engineering, Procurement, Construction, Installation and Commissioning projects to capture more opportunities during the industry upturn.”*

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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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 majority of FY2019’s revenue base. The Group currently has a chartering fleet of over 30 vessels. Nam Cheong was successfully listed on SGX-ST on May 27, 2011.

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

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