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UEN No: S99SS0111B
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Issuer: Nam Cheong Limited

Stock code: N4E

Meeting details:

Date: 28 April 2023

Time: 10.00 a.m.

Venue: <<live webcast>>

Q1. Trading of the company's share has been suspended since 28 April 2020. The company is proceeding with a second scheme of arrangement to restructure the company.

The company resumed its trading from the first suspension period (21 July 2017 to 23 August 2018) but suspended for a second time twenty months later.

The company has sought an extension of time of one month from 31 March 2023 to 30 April 2023 to submit the Resumption Proposal to SGX-ST.

- (i) **What are the remaining milestones that need to be fulfilled before the company can submit its trading resumption proposal to SGX-ST?**
- (ii) **How involved are the independent directors in helping the company submit the resumption proposal?**
- (iii) **Is the company confident that it will be able to meet the extended deadline of 30 April 2023?**

Q2. The restructuring of the company has progressed significantly, and the next major milestone is for the company to convene a scheme meeting within 6 months from the date of the court order (which was granted on 21 March 2023). If approved, the scheme of arrangement and compromise (New NCL Scheme) will be binding on the company and its scheme creditors.

As at 31 December 2022, the company had shareholders' deficit of RM(631.0) million and total borrowings of RM(995.9) million.

- (i) **Could the board provide an update for shareholders on how the financial position of the company is expected to improve after the restructuring process?**
- (ii) **What was the vessel utilisation rate in 2022?**
- (iii) **Can management provide additional information to shareholders regarding the group's fleet, industry prospects and its future strategy?**
- (iv) **Does the shipbuilding business align with the group's overall strategy, or is management considering divesting it?**
- (v) **Can the company clarify its competitive advantage and explain how management intends to create and capture long-term, sustainable value for shareholders?**

Q3. The stock chart of the company since the reverse takeover of Eagle Brand Holdings Limited is shown below:



(Source: <https://finance.yahoo.com/chart/N4E.SI>)

The independent directors are:

- Mr Ajaib Hari Dass (also lead independent director)
- Mr Yee Kit Hong
- Mr Kan Yut Keong, Benjamin

The directors were appointed on 28 April 2011, 28 April 2011 and 1 October 2014 respectively.

The board disclosed that, following the announcement made by SGX RegCo on 11 January 2023 with regard to the limit on the tenure of independent directors, it would also look into searching for suitable candidates in view of the changes to the new requirements.

- (i) **Can the nominating committee (NC) help shareholders better understand if there is and has been a succession plan for directors in place?**

In January 2023, when announcing the new rules on the tenure of independent directors, Mr Tan Boon Gin, CEO of SGX RegCo, also noted that the limit on tenure of IDs provides an opportunity for companies to inject new skills, experience and knowledge into their boards, all of which will be invaluable in guiding the business for the long term.

- (ii) **Has the NC reviewed the current competency matrix of the board and identified any gaps in skills or competencies that need to be addressed in future director appointments?**
- (iii) **What is the progress made in identifying and appointing new directors? Can the NC provide shareholders with greater detail the search and nomination process?**
- (iv) **Separately, can the NC elaborate further on the board evaluation process? What are the key findings from the most recent board evaluation?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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