



**NORDIC**  
Group Limited

**NORDIC GROUP LIMITED**

(Company Registration Number: 201007399N)

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**PROPOSED SALE OF 12,000,000 TREASURY SHARES IN THE CAPITAL OF THE COMPANY**

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**1. INTRODUCTION**

The Board of Directors (the “**Directors**”) of Nordic Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into a share sale and purchase agreement dated 21 June 2022 (the “**SPA**”) with each of Edward Lim Chin Wah and Yap Tin Foo (the “**Purchasers**”), pursuant to which the Company shall sell to the Purchasers an aggregate of 12,000,000 ordinary shares in the capital of the Company held by the Company as treasury shares (the “**Sale Shares**”) at a price of S\$0.420 for each Sale Share (the “**Sale Price**”) for an aggregate consideration of S\$5,040,000 (the “**Proposed Sale**”).

**2. THE SALE SHARES**

As at the date of this announcement, the Company has 400,000,000 issued ordinary shares (“**Shares**”), of which 12,263,900 Shares are held as treasury shares. The 12,000,000 Sale Shares represent approximately 3.1% of the total number of issued ordinary shares (“**Shares**”) (excluding treasury shares) of the Company and 3.0% of the total number of issued Shares of the Company as at the date of this announcement.

The Sale Price, being the closing price of S\$0.420 per Share on 21 June 2022, represents a premium of approximately 1.4% to the volume weighted average price of S\$0.4142 for each Share for trades done for the full market day on 21 June 2022, being the date on which the SPA are signed.

Under the terms of the SPA, the Sale Shares are to be sold free from all encumbrances and together with all rights, benefits and entitlements attaching to them as at the date of completion of the Proposed Sale (“**Completion**”), and thereafter attaching to them (including all dividends and distributions declared, made or paid by the Company, the record date for which falls on or after the date of Completion).

Completion shall take place on the date on which the Sale Shares are credited into the securities accounts of the Purchasers by The Central Depository (Pte) Limited. The Company will make an announcement when Completion has taken place.

**3. THE PURCHASERS**

The Purchasers, Edward Lim Chin Wah and Yap Tin Foo, were the Chairman and Executive Director, and Managing and Executive Director, respectively, of Starburst Holdings Limited, a company which was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) prior to the completion of a voluntary conditional offer to acquire all its shares by Nordic Flow Control Pte. Ltd., a wholly-owned subsidiary of the Company, and its eventual delisting on 22 April 2022. Starburst Holdings Limited is currently a wholly-owned subsidiary of the Group.

The Purchasers are currently employed by the Company as advisers to the Executive Chairman of the Company.

Pursuant to the SPA, Edward Lim Chin Wah will purchase 7,000,000 Sale Shares and Yap Tin Foo will purchase 5,000,000 Sale Shares. Following the Completion, Edward Lim Chin Wah will hold approximately 1.75% of the total number of issued Shares (excluding treasury shares) and Yap Tin Foo will hold approximately 1.25% of the total number of issued Shares (excluding treasury shares).

The Company understands that the Purchasers have entered into the SPA for the purchase of the Sale Shares purely for investment purposes. The Proposed Sale will allow the Purchasers to participate in the equity of the Company.

To the best of the knowledge of the Company:

- (a) as at the date of this announcement, save for Edward Lim Chin Wah who holds 35,000 Shares (constituting 0.01% of the total number of issued Shares (excluding treasury shares)), none of the Purchasers holds, directly or indirectly, any Shares, and is not related to any of the Directors or substantial shareholders of the Company or their respective associates; and
- (b) the Purchasers are not persons specified in Rule 812(1) of the Listing Manual of the SGX-ST.

No placement agent has been appointed and no introducer is involved in relation to the Proposed Sale.

#### **4. RATIONALE FOR THE PROPOSED SALE AND USE OF PROCEEDS**

The Proposed Sale is undertaken by the Company to strengthen its financial position and increase its public shareholding spread, which may in turn improve the level of trading liquidity of its Shares.

Based on the aggregate sale consideration of S\$5,040,000, the Proposed Sale will enable the Company to raise net cash proceeds of approximately S\$5.03 million (after deducting expenses which are insignificant) (the “**Net Proceeds**”). All of the Net Proceeds will be used to reduce the Group’s bank borrowings.

Pending deployment, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion deem appropriate in the interests of the Group.

The Company will make periodic announcements on the use of the Net Proceeds as and when the Net Proceeds are materially disbursed and, whether such use is in accordance with the stated use and in accordance with the percentage allocated (if any). The Company will also provide a status report on the use of the Net Proceeds in the announcements of its interim and full-year financial statements and in the Company’s annual reports. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

The Directors are of the opinion that after taking into consideration the Group’s internal resources and present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Proposed Sale is undertaken by the Company to strengthen its financial position and increase its public shareholding spread as stated above.

## 5. FINANCIAL EFFECTS

The financial effects of the Proposed Sale on the Group as set out below are for illustrative purposes only and do not reflect the actual or projected financial performance or position of the Group following the Completion.

### 5.1 Share Capital

	Before the Proposed Sale	After the Proposed Sale
Issued and paid-up share capital (S\$'000)	22,439	22,439
Number of issued Shares (excluding treasury shares)	387,736,100	399,736,100
Number of treasury shares	12,263,900	263,900

### 5.2 Net tangible asset ("NTA") per Share

The effect of the Proposed Sale on the NTA per Share as set out below is based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021 ("FY2021") and the assumption that the Proposed Sale had been completed on 31 December 2021.

	Before the Proposed Sale	After the Proposed Sale
Consolidated NTA (S\$'000)	97,635	102,665
Number of issued Shares (excluding treasury shares) ('000)	388,000	400,000
NTA per Share (cents)	25.2	25.7

**Note:**

NTA is calculated based on the net tangible assets attributable to owners of the Company and the number of issued Shares (excluding treasury shares) as at 31 December 2021.

### 5.3 Earnings per Share ("EPS")

The effect of the Proposed Sale on the EPS as set out below is based on the audited consolidated financial statements of the Group for FY2021 and the assumption that the Proposed Sale had been completed on 1 January 2021.

	Before the Proposed Sale	After the Proposed Sale
Profit for the year attributable to owners of the Company (S\$'000)	13,876	13,876
Weighted average number of Shares (excluding treasury shares) ('000)	388,179	399,279
EPS (cents)	3.6	3.5

**Note:**

EPS is calculated based on profit attributable to owners of the Company and the weighted average number of Shares (excluding treasury shares) for FY2021.

**6. GENERAL**

The Proposed Sale will not transfer a controlling interest in the Shares of the Company.

The Proposed Sale is undertaken by way of private placement pursuant to Section 272B of the Securities and Futures Act 2001. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Sale.

**7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors (other than in his capacity as Director or shareholder of the Company) has any interest, direct or indirect, in the Proposed Sale. The Directors are not aware of any substantial shareholders of the Company having any direct or indirect interest in the Proposed Sale.

**8. RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Sale and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**BY ORDER OF THE BOARD**

**CHANG YEH HONG**  
**EXECUTIVE CHAIRMAN**  
**21 JUNE 2022**