

NOBEL DESIGN HOLDINGS LTD

(Company Registration No. 198104591E)

(Incorporated in the Republic of Singapore)

("Company")

RESPONSE TO STRAITS TIMES JOURNALIST'S QUESTIONS

The Company was approached by a Straits Times journalist on 20 April 2015 to answer a few questions. The Board of Directors wishes to announce our response to those questions.

- 1. While matters of dividend will be assessed in detail in next week's AGM, can we understand the management's thinking on the current payout? Do you think the announced amount (0.65 cents if I'm not mistaken) considering the company's revenue and performance? If so, why?**

A few factors that the Board considers in determining the company's dividend payout include operating cashflow, investing activities and operating performance. In FY2014, our net profit after tax increased to S\$23.1 million from S\$20.1 million in the previous financial year, and our dividend also increased to 0.65 cents from 0.60 cents. Our dividend yield also increased from approximately 1.1% for FY2013 based on share price of S\$0.56 (as at 31 December 2013) to approximately 1.5% for FY2014 based on a share price of S\$0.44 (as at 31 December 2014) reflecting an improvement in the dividend yield.

We believe that our investors invest in us because we actively recycle our capital in order to grow the business, and not because we are a high yielding dividend stock. In the property business, a strong balance sheet is important in order to take on new development projects with the associated development risks. A healthy balance sheet will also enable us to have stronger holding power in the event of a property down cycle, especially in times where the global economic environment can be volatile.

The company has grown its shareholder equity from S\$14.7 million in 2006 to S\$125.7 million in 2014. It has also made a cumulative total of approximately S\$117.9 million in pre-tax profit since 2006. As a result, the share price has increased from approximately S\$0.08 in 2006 to approximately S\$0.41 in 2015.

Nevertheless, the Board remains committed to rewarding shareholders for their continued support towards the Company. As long as the Company has sufficient capital resources for its business activities, the Board will always aim to provide dividends to shareholders. Factors such as operating results, operating cashflow and continuing investment activities, will naturally be factored into determining the dividend quantum.

- 2. Can I also have an update on the management's interaction with Mr. Choong? Despite the lawsuits, is there scope for quick resolution so that the firm can restore boardroom unity and focus on growing business?**

The Board and management's interaction with the Company's Non-Executive Director Mr. Choong has always been professional. The Board reiterates that it has always acted in the best interest of the Company.

The Board hopes for a quick and amicable solution to the current situation. That being said, the Board wishes to reiterate that the current legal proceedings will not affect the Company's day-to-day operations or have a material impact on the Group's business affairs.

- 3. Do you expect majority backing from your shareholders in the upcoming AGM?**

We will leave it to our shareholders to decide and vote accordingly at the upcoming AGM.

By Order of the Board

Goon Eu Jin Terence
Group Chief Executive Officer and Managing Director
21 April 2015