NORDIC GROUP LIMITED
(Company Registration Number: 201007399N)

RESPONSE TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON 21 APRIL 2023

The Board of Directors (the "Board") of Nordic Group Limited (the "Company") wishes to respond to queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 21 April 2023 in relation to the FY2022 Annual Report.

SGX-ST's queries

We refer to the Company's Annual Report for the financial year ended 31 December 2022, announced on 6 April 2023. We would appreciate it if the Company can address the following queries via a SGXNet announcement by 25 April 2023:-

1. Please provide explanations for the material variance in net cash used in investing activities from $49,702,000 to $52,540,000.

   Listing Rule 704(6) provides that an issuer must immediately announce if it has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors. Please clarify whether and how has Listing Rule 704(6) been complied with.

   The Board's response

   The variance was due to $2.8 million fixed deposit disclosed as restricted cash and classified as part of cash balances in the Balance Sheet (page 90 Note 21). This fixed deposit was taken over during the acquisition of Starburst Group in January 2022 (page 97 Note 28(a). As disclosed in Note 25A Note 4(e), the Group is in the process of renegotiating these terms and in the process of refinancing to another bank and the fixed deposits will become unrestricted and treated as the Group's free cash. From the cashflow statement point of view as at 31 December 2022, this was not considered the Group's cash as it was pledged for a bank facility.

   As the cash and cash equivalent remained at $55.9 million on the Balance Sheet (page 90 Note 21), no announcement was made.

2. Listing Rule 710A states that an issuer must describe in its annual report its board diversity policy, including the following:
   (a) the issuer's targets to achieve diversity on its board;
   (b) the issuer's accompanying plans and timelines for achieving the targets;
   (c) the issuer's progress towards achieving the targets within the timelines; and
   (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

   Please disclose whether and how Listing Rule 710A has been complied with.

   The Board's response

   As disclosed on page 29 of the Annual Report 2022 (reproduced below), the Company has adopted the board diversity policy, and has met our targets on diversity for FY2022.

   "The Company has adopted a board diversity policy, recognizing the importance of diversity in various areas including professional qualifications, skills, business experience, industry knowledge, gender and age and other distinguishing qualities. The NC reviews the size and composition of the Board and Board Committees and the skills and core competencies, as well as gender and age of the members to ensure appropriate balance of skills, experience and diversity. These competencies include accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management.

   The Board includes two female Directors in recognition of the importance and value of gender diversity and three directors have recent and relevant accounting or related financial management expertise or experience. The NC acknowledged that improvements to Board diversity practices are an ongoing process. The NC is satisfied that the current size and composition of the Board and Board Committees are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations. The NC is also of the view that the Directors possess the necessary competencies and knowledge to lead and govern the Group effectively."

   Listing Rule 710A has been complied with.

BY ORDER OF THE BOARD

Chang Yeh Hong
Executive Chairman
25 April 2023