NORDIC GROUP LIMITED
(Company Registration Number: 201007399N)

RESPONSE TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON 22 APRIL 2020

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 22 April 2020 in relation to the FY2019 Annual Report.

SGX-ST's queries

(a) Provision 2.4 of the Code states that "the Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report."

(b) Provision 8.2 of the 2018 Code of Corporate Governance (the "Code") states that "the company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder."

In this regard, please clarify whether and how the Company has complied with (i) Provision 2.4 and (ii) Provision 8.2 of the Code for the financial year ended 31 December 2019. Where the Company's practices vary from the provisions of the Code, please explicitly state the provision from which it has varied, explain the reason for variation, and explain how the practices adopted are consistent with the intent of the relevant principle in the Code as required by Listing Rule 710.

The Board's response

(a) As disclosed in the Annual Report page 28, the Nominating Committee ("NC") considers the guideline and make recommendations to the Board concerning the Board's diversity policy, including the diversity and balance of skills, knowledge and experience on the Board and other aspects such as gender, age and personal qualities with the objectives of providing diversity of perspectives, avoiding group think and fostering constructive debate and contributing to the overall effective performance of the Board. The Board is responsible for the implementation of the policy in an effective and practical manner. In recommending candidates to be appointed to the Board, the NC takes into account the Board's diversity policy. Currently, the Board comprises suitably qualified directors who provide the Company with a good balance of accounting, finance, legal and management's expertise and experience, complemented by sound industry knowledge. There are two female directors on the Board, and three directors have recent and relevant accounting or related financial management expertise or experience. Information on their respective fields of specialities is provided on pages 8 and 9 of the Annual Report. The Board acknowledges that improvements to Board diversity are an ongoing process. As disclosed in the Annual Report, having considered the scope and nature of the Group's operations and in light of the changes in the Code and SGX Listing Manual, changes to the size and composition of the Board are being planned. Therefore, Provision 2.4 has been complied with.

(c) As disclosed on pages 33 and 34 of the Annual Report, Chang Yeh Hong, Teo Ling Ling Dorcas and Lin Choon Hin are substantial shareholders of the Company. Bong Boon Hean is the cousin of Teo Ling Ling, CEO of Nordic Flow Control Pte Ltd, a wholly-owned subsidiary of Nordic Group Limited.

Save as disclosed on pages 33 and 34 of the Annual Report, there is no other employee who is a substantial shareholder of the Company, or is an immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000,

BY ORDER OF THE BOARD

Chang Yeh Hong
Executive Chairman
8 May 2020