



NORDIC
Group Limited

NORDIC GROUP LIMITED

(Company Registration Number: 201007399N)

SALE OF PROPERTY AT ONE COMMONWEALTH

1. INTRODUCTION

Multiheight Scaffolding Pte Ltd (the “Vendor”), wholly owned subsidiary of Mainboard-listed Nordic Group Limited (the “Group”), has on 18 May 2015 entered into an Option to Purchase Agreement (“OTP”) with M3 Marine Expertise Pte. Ltd. (the “Purchaser”) in relation to the sale (“Sale”) of property at 1 Commonwealth Lane #09-13 and #09-14 Singapore (the “Property”) by the Vendor. The OTP and the Acceptance Copy signed by the Purchaser subsequently shall constitute a binding contract of the sale and purchase of the Property.

2. DETAILS OF THE SALE

The Sale price of the Property shall be S\$1,983,600 and the Purchaser agrees to purchase all the furniture and fittings at the price of S\$16,400. Hence, the aggregate value of the consideration for the Sale is S\$2,000,000 (“Consideration”). The Consideration was arrived at pursuant to negotiations between the Vendor and the Purchaser on a willing-seller and willing-buyer basis, taking into account the net carrying value of the Property based on the unaudited financial statements of the Group as at 31 March 2015 as well as prevailing market conditions. The Consideration will be satisfied wholly in cash.

The completion of the Sale is conditional upon:

- (1) The sale and purchase is subject to satisfactory replies being by the Purchaser’s Solicitor to their legal requisition to the various Government Departments and Land Transport Authority and application for Drainage Plans and Road Line Plans.

The sale and purchase of the Property shall be completed at the office of the Vendor’s solicitors (or at a place to be stipulated by the Vendor’s solicitors) on 30 October 2015 provided that completion of the Sale may be brought forward to an earlier date that is mutually agreed to by the Vendor and the Purchaser.

3. RATIONALE FOR THE SALE

The property is a non-core asset which is under-utilised and not generating revenue. The Sale will also not affect the nature of the Group’s business. Instead, the Sale is expected to free up cash flows and the proceeds arising from the Sale can be channelled for, amongst others, capital expenditure purposes as described below.

4. CHAPTER 10 OF THE LISTING MANUAL

The relative figures for the purposes of Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual (“Listing Manual”) (computed on the basis of the unaudited financial statements of the Group for the first quarter ended 31 March 2015) are as follows: -

Rule 1006(a)

The net asset value of the assets to be disposed of, compared

with the Group's net asset value	1,866
Net asset value of the Property as at 31 March 2015 (S\$'000)	54,763
Group's net asset value as at 31 March 2015 (S\$'000)	3%
Size of relative figures	

Rule 1006(b)

The net profits attributable to the Property, compared with the Group's net profits

Profit computed based on pre-tax gain from the Sale (S\$'000)	134
Profit before income tax, minority interests and extraordinary items of the Group for FY2014 (S\$'000)	9,157 ⁽¹⁾
Size of relative figures	1%

Rule 2006(c)

Aggregate value of the consideration given, compared with the Group's market capitalisation based on the total number of issued shares excluding treasury shares

Value of the Consideration given (S\$'000)	2,000
The Group's market capitalisation as at 29 May 2015, based on the total number of issued shares excluding treasury shares (S\$'000)	75,760 ⁽²⁾
Size of relative figure	3%

Rule 1006(d)

Number of equity securities issued by the Group as consideration for the asset to be disposed of, compared with the number of equity securities previously in issue	Not applicable
Size of relative figures	Not applicable

Note: -

- (1) Based on audited financial statement of the Group for FY2014.
- (2) The existing number of Shares is 400,000,000. Based on the volume weighted average price of the shares of S\$0.1894 traded on the SGX-ST as at 29 May 2015.

As the relative figures under Rule 1006 do not exceed 5%, the Disposal is deemed a "Non-discloseable Transactions".

BY ORDER OF THE BOARD

**CHANG YE HONG
EXECUTIVE CHAIRMAN
2 JUNE 2015**