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NOVO GROUP LTD.
新源控股有限公司*
(Incorporated in Singapore with limited liability)
(Company Registration No. 198902648H)
Hong Kong Stock Code: 1048
Singapore Stock Code: MR8

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is a reproduction of the announcement made by Novo Group Ltd. (the “**Company**”) for compliance with Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Please refer to the attached announcement on the next page issued on the Singapore Exchange Securities Trading Limited on 12 September 2014.

By order of the Board
Novo Group Ltd.
Yu Wing Keung, Dicky
Executive Chairman

Hong Kong, 12 September 2014

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Yu Wing Keung, Dicky, Mr. Chow Kin Wa, Mr. Chow Kin San and three independent non-executive Directors, being Mr. Tang Chi Loong, Mr. Foo Teck Leong and Mr. Tse To Chung, Lawrence.

* *For identification purpose only*

NOVO GROUP LTD.

(Company Registration No. 198902648H)

(Incorporated in Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

Novo Group Ltd. (the “**Company**”, and, together with its subsidiaries, the “**Group**”) was placed on the Watch-List (the “**Watch-List**”) pursuant to Rule 1311 of the Listing Manual (the “**Listing Manual**”) of the SGX-ST on 3 September 2014.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide the following quarterly update:

Update on Financial Position

For the first quarter ended 31 July 2014 (“**1QFY2015**”), the Group’s revenue was approximately US\$62,600,000, representing an increase of approximately 95.4% as compared with last corresponding period.

Please refer to the unaudited result announcement of the Company for 1QFY2015 released on 12 September 2014 for full details.

Update on Future Direction

The Group expects the demand of steel and coal products are likely to improve modestly in the first half of FY2015 and range-bound steel and commodity prices are expected. The Group is staying close to the market on such changes and will react positively to capture any lead advantage opportunities.

The tinplate manufacturing project in Jiangsu continues to progressing on track. The Group’s commitment to quality has established a positive reputation among metal packaging suppliers. The Group has successfully widened the business base to include food and beverage corporations in China and Asia. Meanwhile, the customer base has been broadened to include world-renowned packaging corporations from Europe, Middle East, South East Asia, South America and North America. The Group will continue to place considerable emphasis on developing business opportunities in these regions, which are expected to experience huge future growth.

In the meantime, the Group will continue to focus on implementing cost reduction program and adjusting product profile in order to keep evolving along with the market, and continue to improve profit margins and revenue contribution for the long term sustainable and competitive advantage of the Group.

The Group is working closely with the Chinese government authorities, construction designers and joint venture partner to ensure new project will be binding with local environmental regulations and best fitted to market demand.

The Group is aware of the deadline given by the SGX-ST for its removal from the Watch-List.

BY ORDER OF THE BOARD

Yu Wing Keung, Dicky
Executive Chairman

12 September 2014