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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

ACQUISITION OF NEW SUBSIDIARIES

The Board of Directors of NOVO GROUP LTD. (the “Company”) wishes to announce that on 4 July 2016, the Company has acquired (the “Acquisition”) 100% of the issued share capital of Sunshine Star Group Limited (“SSGL”) at an aggregate consideration of US\$5,000.00 from SUN HING (HONG KONG) FINANCIAL HOLDINGS LIMITED (新興(香港)金融控股有限公司), a company which is ultimately controlled by Mr. Zhu Jun, the executive chairman and executive director of the Company who has a direct beneficial interests of 0.41% of the issued share capital of the Company and an indirect beneficial interests of over 50% of the issued share capital of the Company through his wholly-owned company, Golden Star Group Limited.

Subsequently, SSGL and its wholly-owned subsidiary, SUNSHINE STAR (HK) LIMITED (耀星香港有限公司) (“SSHL”) (collectively known as “SSGL Group”) shall become new subsidiaries of the Company following the Acquisition.

The aggregate consideration of the Acquisition was arrived at on a willing-buyer and a willing-seller basis and after taking into account net asset value of the SSGL Group. The unaudited consolidated net asset value of SSGL Group as at 30 April 2016 was US\$5,000.00.

The details of SSGL and SSLH are as follows:-

Registered name : Sunshine Star Group Limited
Registered share capital : US\$5,000.00
Place of incorporation : The British Virgins Islands
Date of incorporation : 21 September 2015

Registered name : SUNSHINE STAR (HK) LIMITED
(耀星香港有限公司)
Share capital : HK\$ 10,000.00
Place of incorporation : Hong Kong
Date of incorporation : 8 January 2016

The Acquisition was funded through internal resources and is not expected to have any significant impact on the financial position of the Company for the current financial year ending 30 April 2017.

The Acquisition does not constitute a discloseable transaction under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Acquisition amount to an “interested person transaction” under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited. The aggregate consideration of the Acquisition represents approximately 0.04% of the Company and its subsidiaries audited consolidated net tangible assets as at 30 April 2015. As the value of Acquisition entered into with Mr. Zhu is less than S\$100,000 and is also less than 3% of the audited consolidated net tangible assets value of the Company and its subsidiaries, when aggregated with other transactions entered with the same interested person during the same financial year, the Company is not required to make an announcement under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

As all the Acquisition percentage ratios are less than 5% and the annual consideration is less than HK\$3,000,000, the Acquisition is exempted from the reporting, annual review, announcement and the independent shareholders’ approval requirements under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Save as the above disclosure, none of the Directors and/or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholding in the Company), relating to the Acquisition.

By order of the Board
NOVO GROUP LTD.
Zhu Jun

Executive Chairman and Executive Director

4 July 2016

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Zhu Jun, Mr. Chow Kin Wa and Ms. Wang Jianqiao and three independent non-executive Directors, being Mr. Tang Chi Loong, Mr. Foo Teck Leong and Mr. William Robert Majcher.

* *For identification purpose only*