

ENTRY INTO EXCLUSIVE NEGOTIATION AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF AN INTEREST IN JIL & YELLOWTAIL PTE. LTD. AND LI XIN (1968) @ ION PTE. LTD.

Proposed Acquisition of Jil & Yellowtail Pte. Ltd. and Li Xin (1968) @ ION Pte. Ltd.

1. The board of directors (the “**Board**”) of Neo Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has today entered into an exclusive negotiation agreement (the “**Agreement**”) with Jil & Yellowtail Pte. Ltd. (“**Jil**”), Li Xin (1968) @ ION Pte. Ltd. (“**Li Xin**”), Lim Swee Meng and Ng Hui Hui Rebecca (the “**Potential Vendors**”), in relation to the proposed acquisition of shares in Jil and Li Xin (the “**Proposed Acquisition**”).
2. Under the Agreement, the Potential Vendors, Jil and Li Xin have agreed to, *inter alia*, provide the Company with an exclusive period from today to 30 June 2018 (or such other date as the parties may mutually agree in writing) (the “**Exclusivity Period**”) for negotiations relating to the Proposed Acquisition.
3. The Agreement will terminate upon the earliest of (i) the date on which a definitive agreement in relation to the Proposed Acquisition is signed; or the (ii) expiry of the Exclusivity Period.

Information on Jil and Li Xin

4. Jil is primarily involved in the manufacturing of products such as fish balls, fishcakes, fish dumplings, fried pork lard and *sambal* chilli. Its products are mainly supplied and sold to Li Xin retail outlets in Singapore.
5. Li Xin is primarily involved in the sale of Teochew fish ball noodles in food courts and coffee shops.

General

6. Save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the Proposed Acquisition.
7. **Shareholders are advised to exercise caution in trading their shares. There is no certainty or assurance as at the date of this announcement that (i) the definitive agreement in relation to the Proposed Acquisition will be entered into or that (ii) the Proposed Acquisition will be completed. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their professional advisors if they have any doubt about the action they should take.**



8. The Company will make further announcement(s) to update shareholders on material developments regarding the Proposed Acquisition in accordance with the Catalist Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) at the appropriate juncture.

BY ORDER OF THE BOARD

Neo Kah Kiat
Chairman and Chief Executive Officer
Neo Group Limited

22 November 2017

*This announcement has been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (the “**Sponsor**”), for compliance with the relevant rules of the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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