



FY2016 INVESTORS' BRIEFING

26 May 2016

梁苑



NEO GROUP – MILESTONES

Singapore's Number 1 Events Caterer*



1992

Neo Garden Restaurant was set up in a humble 2,000 sq ft shared kitchen in Joo Chiat.



1994

Neo Garden shifted its operations to a coffee shop in Jurong West Blk 406, spanning 4,000 sq ft.



2004

The company shifted to its expanded new premises of 7,600 sq ft.

— Deli Hub Catering, a Halal-certified caterer, was set up.



umisushi

2007

umisushi, a Japanese quick and convenient dining concept opened its doors at Eunos MRT station. Today, we have 25 outlets island-wide.



2008

Orange Clove, an East-West fusion catering brand, was added to cater to the mid-tier and premium markets.



2010

NKK Import & Export Trading was set up to source for ingredients of premium quality and value, direct from distributors.



2011

Neo Group acquired a plot of land at 30B Quality Road for further development, expanding its premises to 122,000 sq ft.



2012

Neo Group Limited was listed on SGX Catalist in July 2012.



2013

The Group consolidates its operations at its corporate headquarters and central kitchen at 1 Enterprise Road, spanning 75,000 sq ft. The new premises feature a semi-automated kitchen.



2014

Additions of Choz and I Do Flowers & Gifts bring a serving of sweetness and tradition with their array of gift packages and authentic Nonya kuehs.



2015

Thong Siek Holdings, who owns popular brand DoDo Fish Ball, and CT Group, a leading trader of more than 300 varieties of fruits and vegetables, became part of the Group.



* As defined in Euromonitor International report, 'Events Catering Services in Singapore', dated April 2016 whereby events catering refers to food catering services provided for social or corporate events only and is based upon customer value sales.

NEO GROUP – OVERVIEW

NEO GROUP REMAINS SINGAPORE'S **#1** EVENTS CATERER*;
MARKET SHARE INCREASES TO 14.7% (2014: 10%)

1

Established since 1992; Singapore's No. 1 events caterer since 2011* with leading market share

2

Award-winning track record; comprehensive portfolio of 14 brands to capture different market segments

3

Vertically-integrated value chain across six business segments

30# Food Retail outlets island-wide; innovative and unique dining concepts

Robust supply-chain management – sourcing capabilities

Complementary businesses to offer one-stop food and catering solutions

4

5

6

* As defined in Euromonitor International report, 'Events Catering Services in Singapore', dated April 2016 whereby events catering refers to food catering services provided for social or corporate events only and is based upon customer value sales.

As at 23 May 2016

ENHANCED VALUE CHAIN



UPSTREAM ACQUISITIONS

1st M&A



THONG SIEK HOLDINGS (“TSH Group”)

- Neo Group’s first major acquisition; owns 55%-stake in parent company of popular “DoDo” brand of fishballs
- Largest fishball manufacturer in Singapore
- Strong brand recognition for quality fishball and recognised as “Fishball King”

Synergies for both Neo Group and TSH Group :

- Leverage on TSH Group’s expertise in food manufacturing to fully automate Neo Group’s central kitchen’s operations
- TSH Group can leverage on Neo Group’s Food Retail expertise to create new B-to-C income streams
- Access to large global distribution network across 22 countries

UPSTREAM ACQUISITIONS

TSH Group Strategies



Top- and Bottom-line Strategies

- Leverage on Neo Group's sourcing capabilities to reduce surimi costs
- Refine pricing strategies of products upward for greater margin efficiency
- Tap on Neo Group's promotions to increase market share and brand awareness (e.g. Mercedes Lucky Draw)

Streamlining Operations

- New 22 Senoko Way facility will allow for greater cost savings and operational synergies:
 - Reduce rental of existing premises
 - Cold room facility expected to generate significant rental savings
 - Electricity cost savings
- Larger than current facility, which is running at maximum utilisation. Additional space allows for automation projects and machinery upgrades

Expansion

- Scale up B-to-C initiatives when new Senoko facility is set up
- Grow export business
- Opportunities for M&A in the same industry for greater economies of scale

UPSTREAM ACQUISITIONS

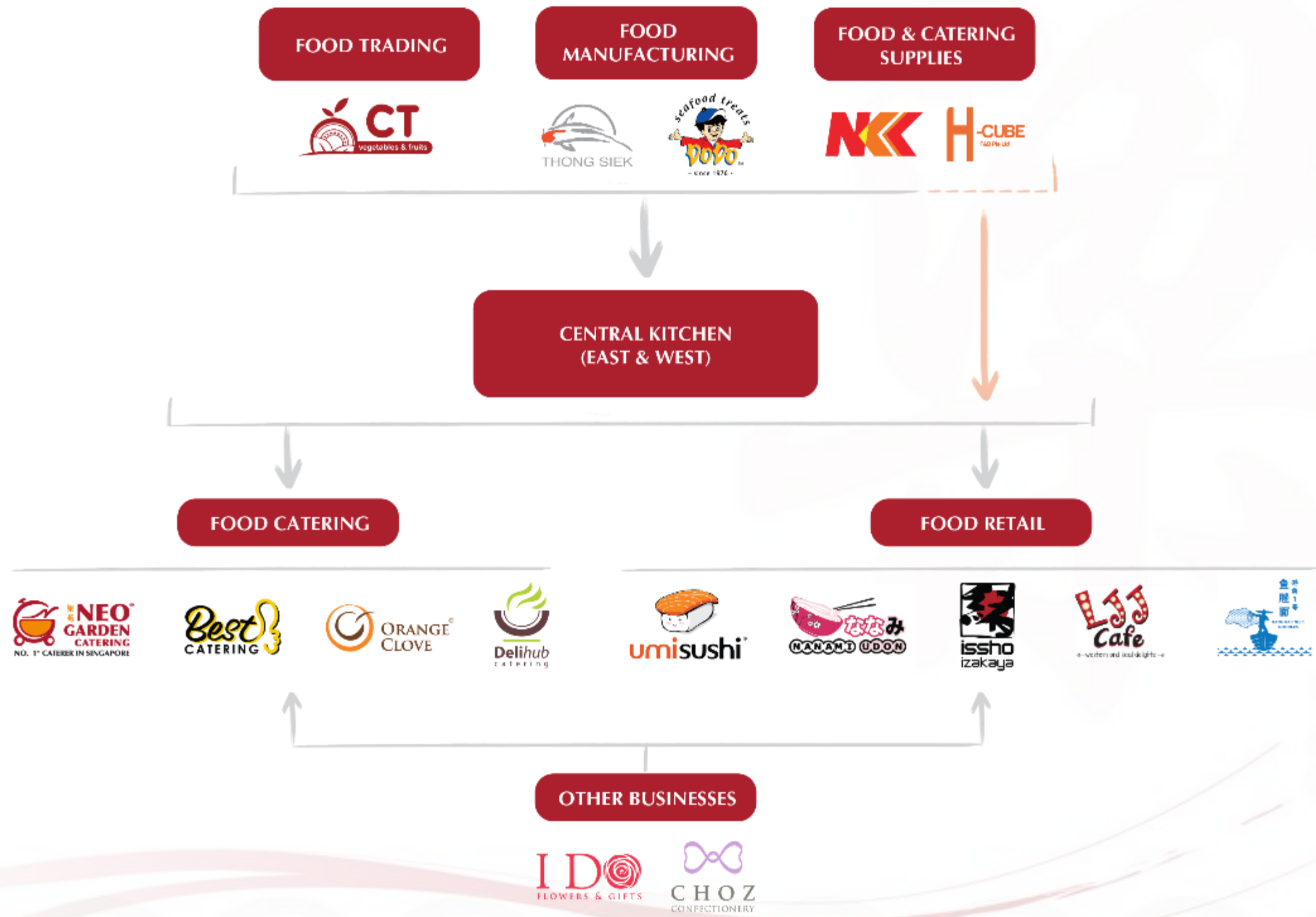
2nd M&A














CT VEGETABLES & FRUITS PTE LTD (“CTVeg Group”)

- Acquired 90%-stake in fruits and vegetables trader
- Established business with wide customer base accumulated over two decades, trading over 300 varieties of fruits and vegetables
- Meets 100% of Neo Group’s fruits and vegetables needs:
 - Cost savings of at least 20%
 - Freshest produce from direct sourcing (12 countries)
- Value-accretive: S\$0.8 million profit in five months (FY2016)
- In the process of achieving ISO22000:2005

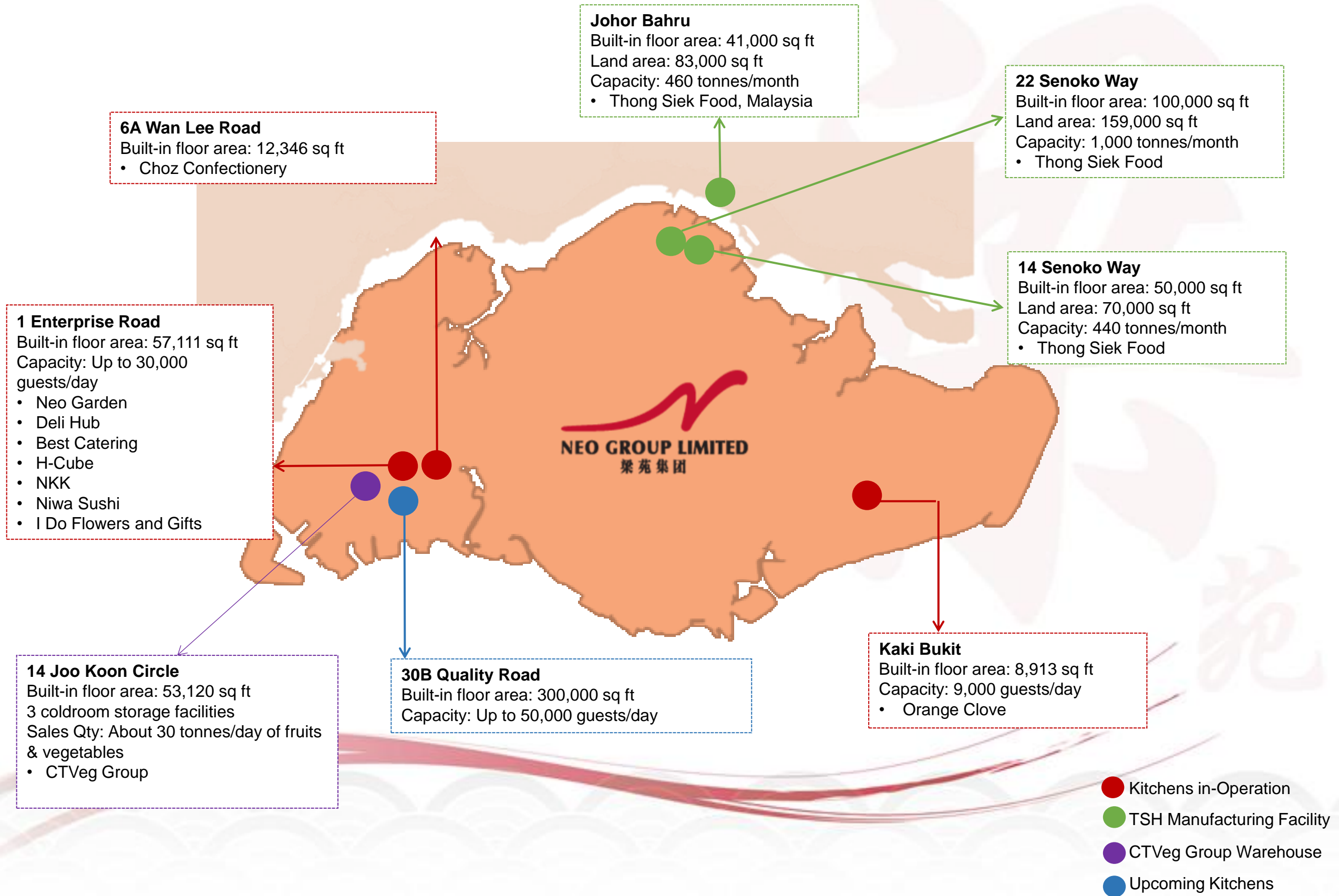
VERTICALLY-INTEGRATED VALUE CHAIN



OVERVIEW: VARIOUS BRANDS TO CAPTURE DIFFERENT MARKET SEGMENTS

FOOD CATERING	FOOD RETAIL	FOOD MANUFACTURING	FOOD AND CATERING SUPPLIES
 <p>NEO GARDEN CATERING We deliver the restaurant to you NO. 1* CATERER IN SINGAPORE</p>	 <p>umisushi</p>  <p>Issho izakaya</p>  <p>NANAMI UDON</p>	 <p>THONG SIEK</p>  <p>seafood treats DOVO ~ since 1976 ~</p>	 <p>NKK Import & Export Trading</p>  <p>H-CUBE F&B Pte Ltd</p>
		<p>FOOD TRADING</p>	<p>OTHERS</p>
 <p>Delihub catering</p>  <p>Best CATERING</p>	 <p>LJ Cafe —western and local delights—</p>  <p>港角1号 鱼胜面 KANG KAR NO. 1 NOODLES</p>	 <p>CT vegetables & fruits</p>	 <p>CHOZ CONFECTIONERY</p>  <p>I DO FLOWERS & GIFTS</p>

KITCHENS & FACILITIES



NEO GROUP'S GLOBAL FOOTPRINT



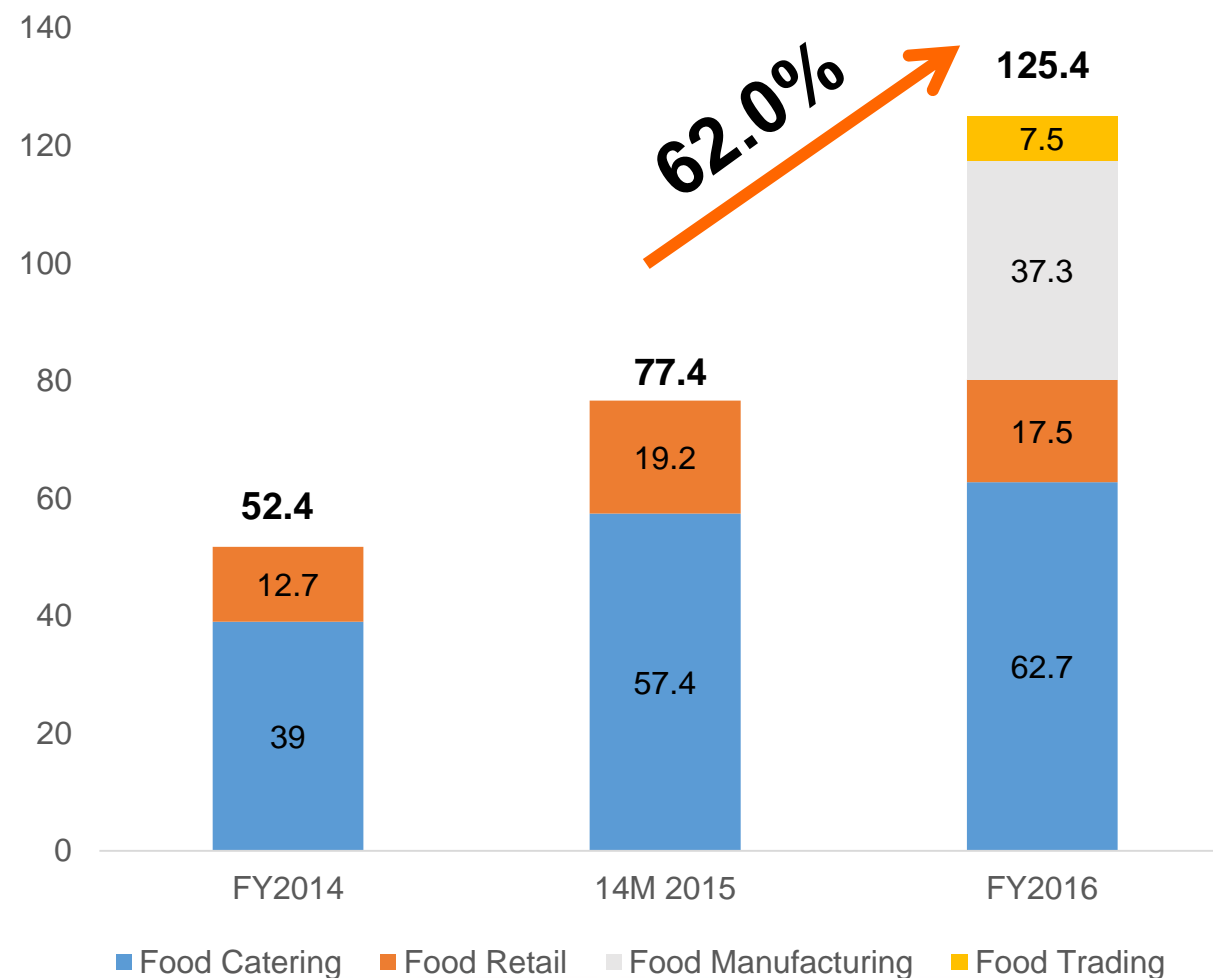
**FY2016
FINANCIAL
HIGHLIGHTS**



RECORD REVENUE

REVENUE SURGES 62.0% TO S\$125.4M IN FY2016

Revenue (\$'m)



Strong topline growth lifted by:

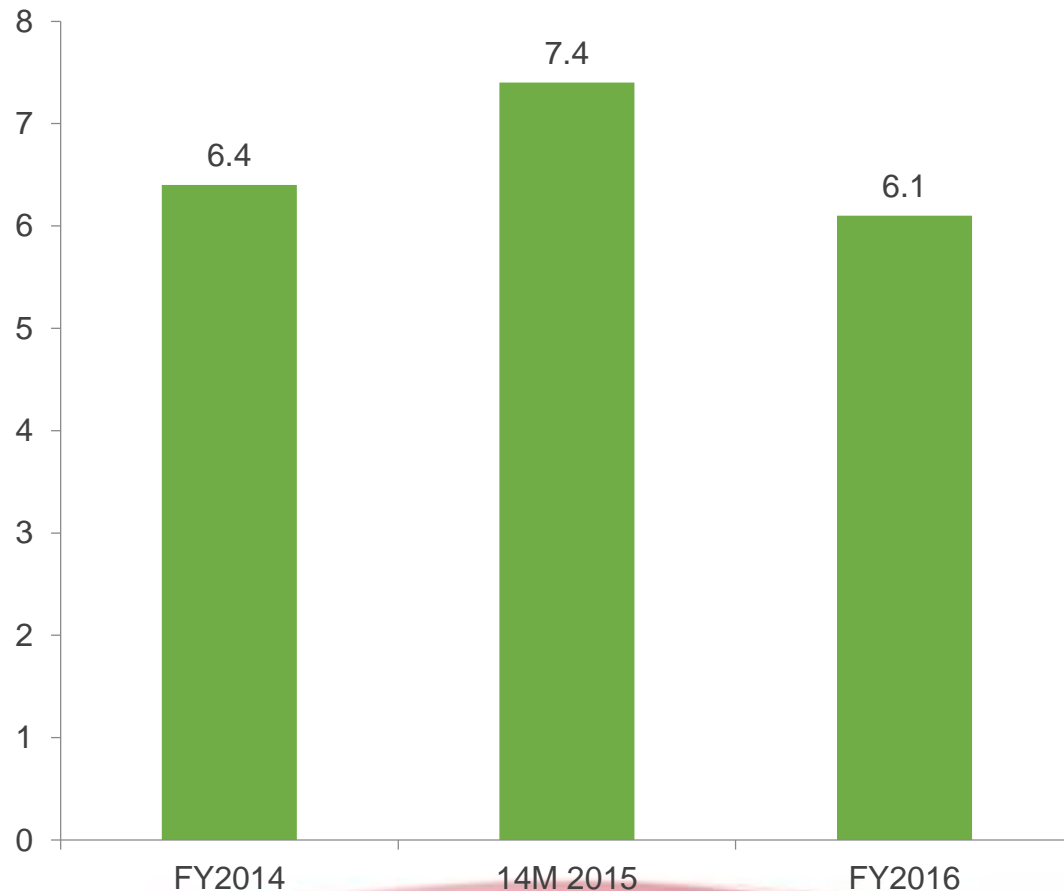
- 9.4% (12-month annualised basis: 27.1%) growth in core Food Catering segment revenue to S\$62.7 million
- Maiden contributions from new acquisitions:
 - 10-month revenue of S\$37.3 million from Food Manufacturing segment (TSH Group)
 - 5-month revenue of S\$7.5 million from Food Trading segment (CTVeg Group)

**12-month annualised basis, from April 2014 to March 2015*

FY2016 NET PROFIT

NET PROFIT IMPACTED BY BUSINESS EXPANSION ACTIVITIES; INVESTING IN SUSTAINABLE LONG-TERM GROWTH

Profit attributable to owners of the parent (\$'m)



- Profit attributable to owners of the parent decreased by 18.1% to S\$6.1 million from S\$7.4 million in 14M 2015, mainly due to business expansion costs:
 - Maiden consolidation of TSH Group and CTVeg Group financials resulting in a substantial rise in expenses
 - Recent business expansion M&A activities in FY2016 also led to increase in staff, professional and legal fees, training, IT and other expenses
- The Group will work towards integrating new subsidiaries to reap synergies and enhance economies of scale while focusing on turning around TSH Group's performance

FINANCIAL HIGHLIGHTS

S\$'m	FY2016 (Unaudited)	14M 2015 (Audited)
Earnings Per Share (SGD cents)	4.18	5.14
Net cash from operating activities	4.7	10.5
Cash and cash equivalents at end of period	10.4	7.6
S\$'m	As at 31 March 2016 (Unaudited)	As at 31 March 2015 (Audited)
Equity attributable to owners of the parent	30.6	24.2
Net Asset Value Per Share (SGD cents)	20.97	16.79
Net Gearing (times) ⁽¹⁾	1.79	0.56

1) Net Gearing is computed by dividing the net debts by equity attributable to owners of the parent

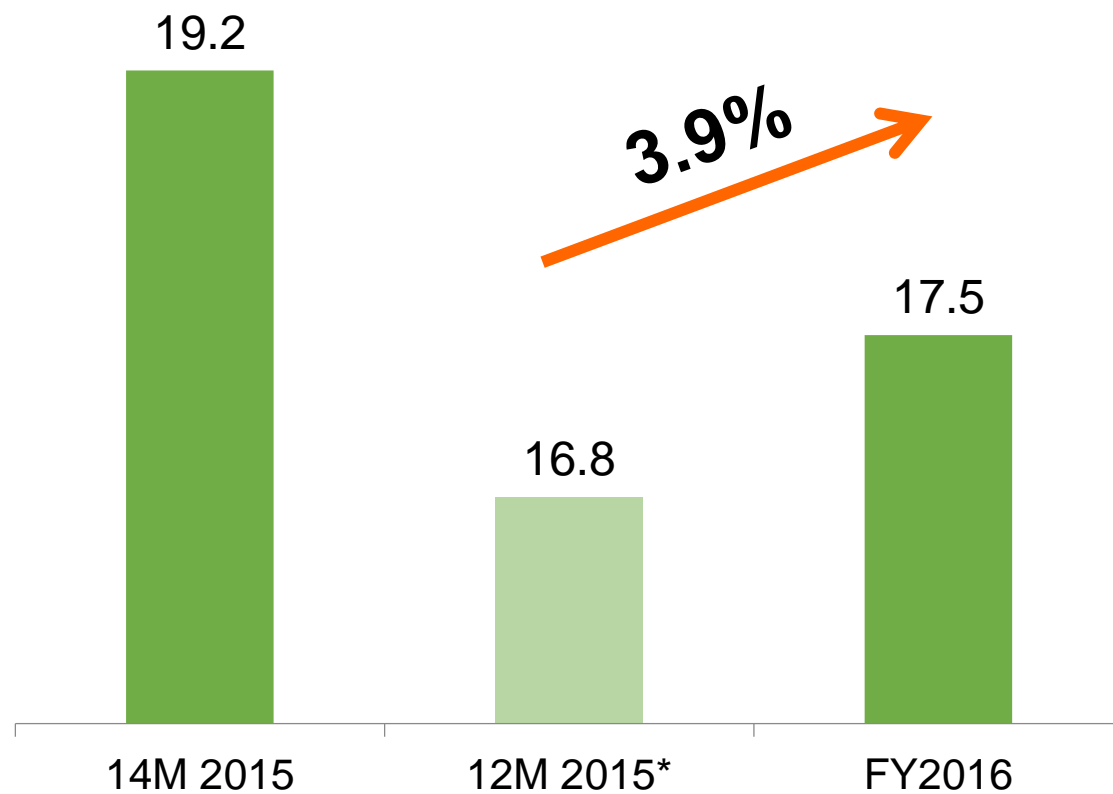
**BUSINESS
HIGHLIGHTS
FOOD RETAIL**



FOOD RETAIL – HIGHLIGHTS FOR FY2016

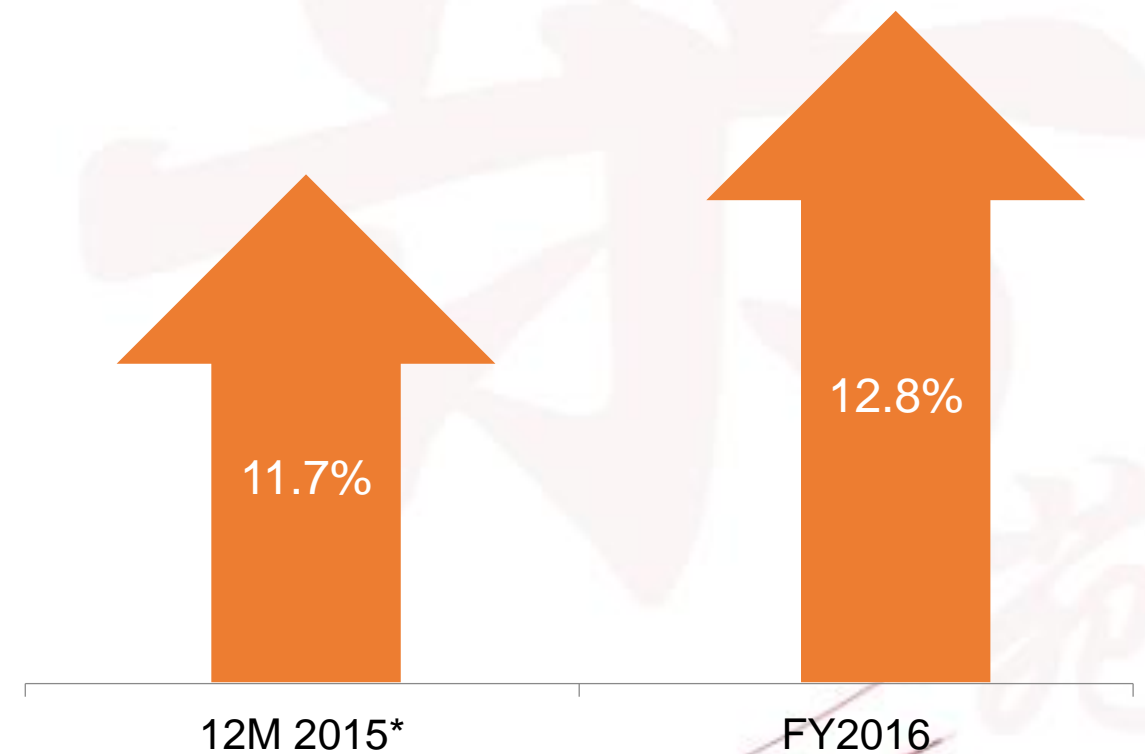
FOOD RETAIL: PERFORMANCE REVIEW

Food Retail Revenue (S\$'m)



Food Retail Delivery Growth

(As % of Food Retail Revenue)



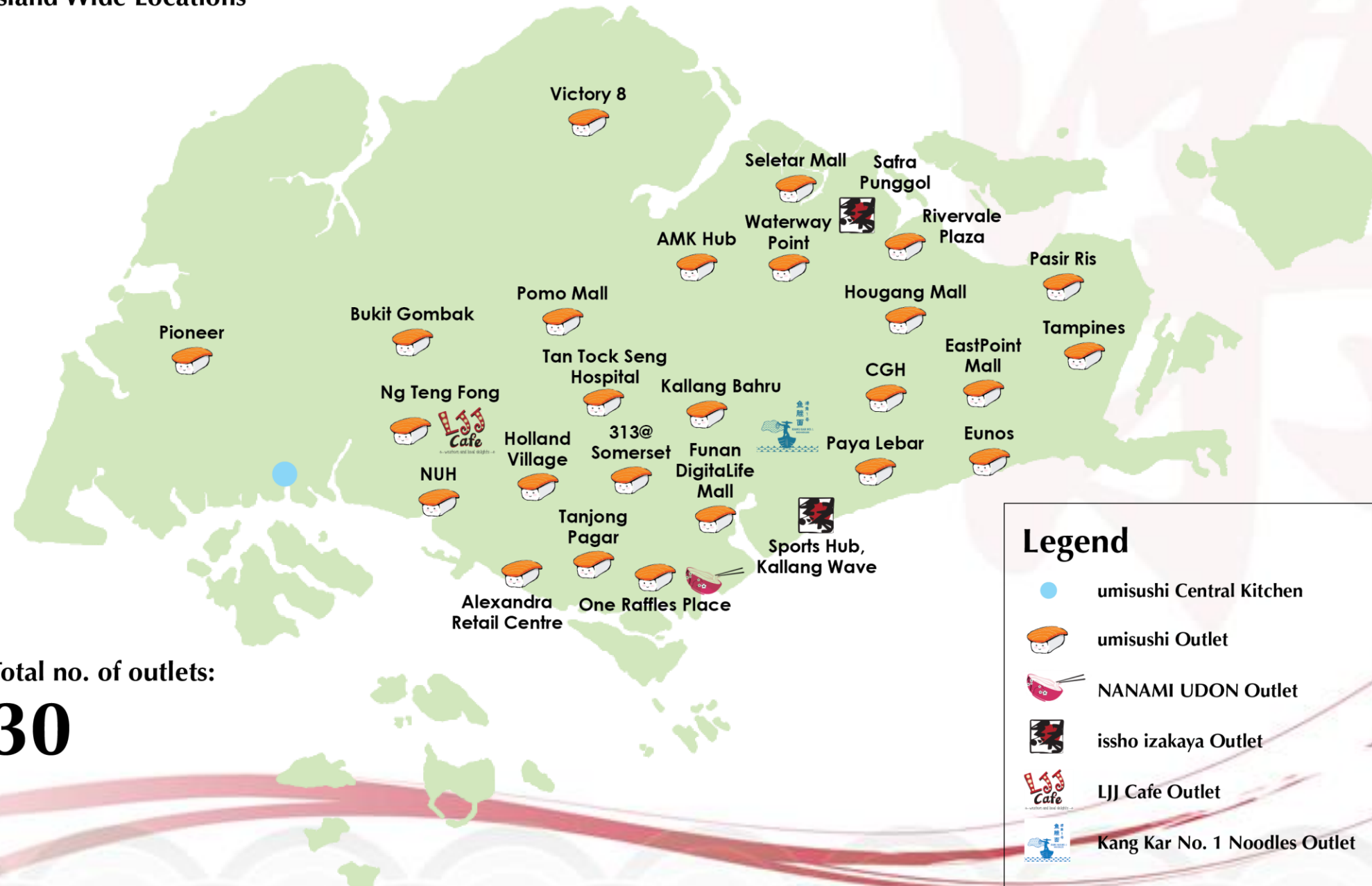
**12-month annualised basis, from April 2014 to March 2015*

EXTENSIVE RETAIL NETWORK*

umisushi – Largest kiosk sushi retail in Singapore

Retail Concept

Island Wide Locations



Total no. of outlets:

30

**As at 23 May 2016*

FOOD RETAIL – HIGHLIGHTS FOR FY2016

NEW DEVELOPMENTS



Topline Growth Strategies

- New breakfast offerings
- New menus (e.g. kids bento set, salad offerings)
- Continue to drive delivery sales

Increased Efficiency

- Top Up System
- Inventory Ordering System
- Delivery Tracking System

Pursue corporate clients

- New tie-ups with NTUC Passion Card membership, banks, suppliers and corporate clients for loyalty programme

FOOD RETAIL – NEWLY LAUNCHED CONCEPTS

KANG KAR NO. 1 NOODLES



Retail Area: 600 sq ft
Seat Capacity: 40

KEY BUSINESS DRIVERS:

1. Healthier Choice – use of minced fish instead of minced meat
2. Value-for-money traditional noodles
3. Creates new B-to-C income stream for TSH Group, bringing its flagship fishballs directly to consumers

NEW DEVELOPMENTS:

- Newly opened on November 2, 2015, located at 77 Circuit Road
- Introduced new variety of items to the menu, including “Minced fish soup with rice”

FOOD RETAIL – NEWLY LAUNCHED CONCEPTS



LJJ CAFÉ



Retail Area: 2,292 sq ft
Seat Capacity: Up to 120

KEY BUSINESS DRIVERS:

Enjoy Western and local menu such as All Day Breakfast sets accompanied by a good local cuppa coffee

NEW DEVELOPMENTS:

- Newly opened on November 26, 2015
- Located at Ng Teng Fong General Hospital catering to office crowd, hospital staff and visitors

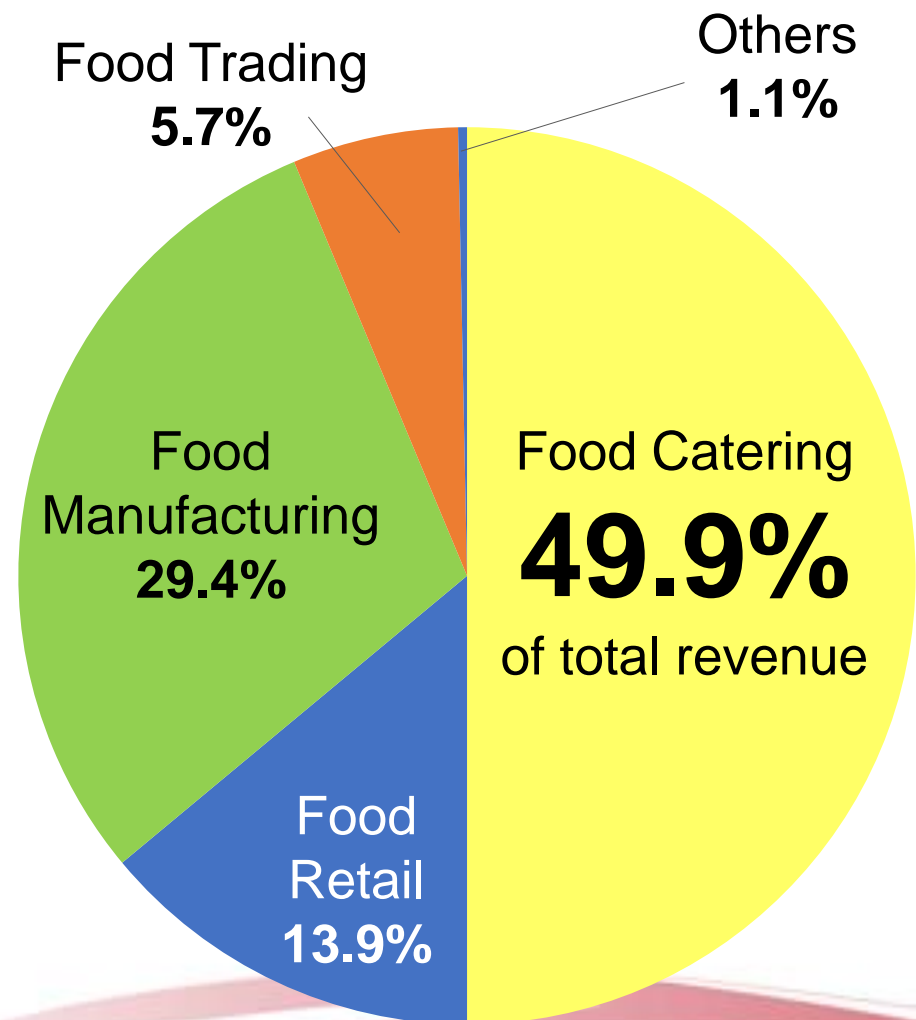
**BUSINESS
HIGHLIGHTS
FOOD CATERING &
OTHER BUSINESSES**



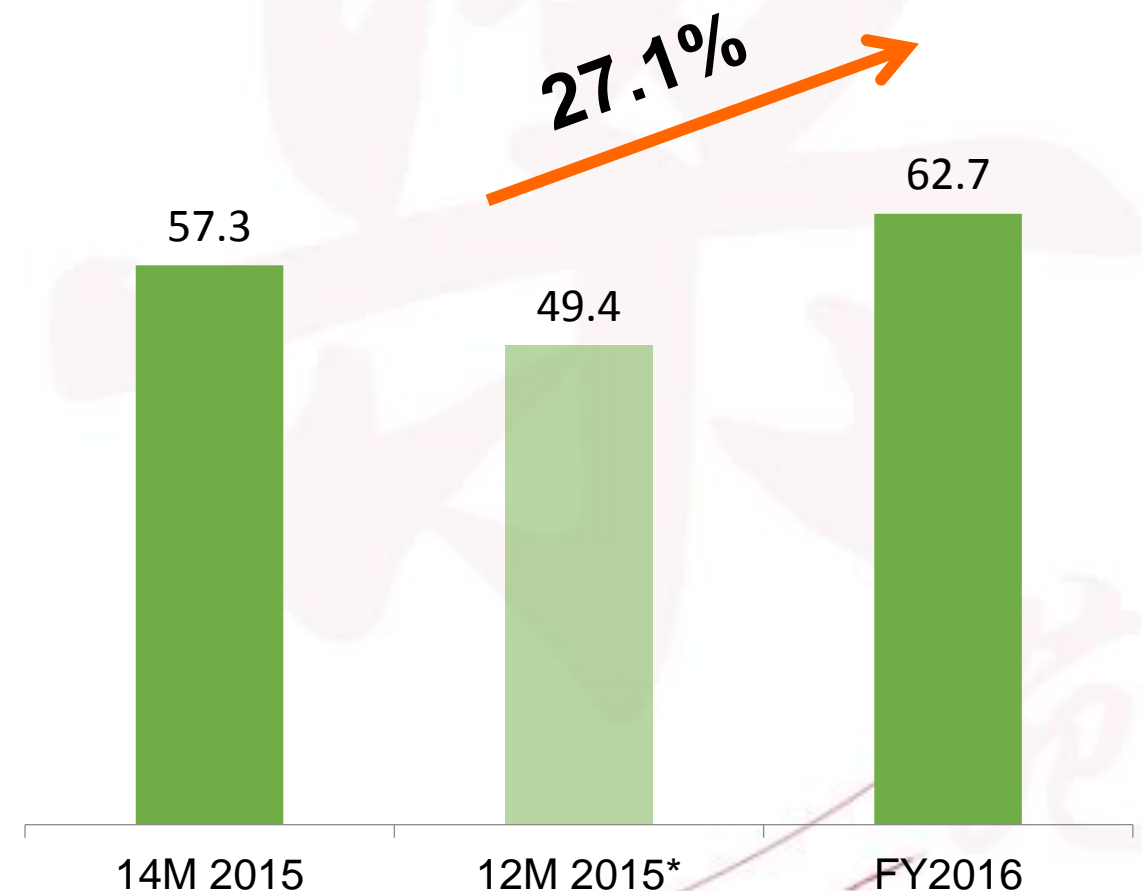
FOOD CATERING – HIGHLIGHTS FOR FY2016

FOOD CATERING: PERFORMANCE REVIEW

Largest Revenue Contributor (FY2016)



Food Catering Revenue (S\$m)



**12-month annualised basis, from April 2014 to March 2015*

FOOD CATERING – HIGHLIGHTS FOR FY2016

NEW DEVELOPMENTS



Refreshed Product Offerings

Keeping consumers engaged

- New healthier menus and product offerings
- Hawker Live Stations serving local delights
- Continue to build and strengthen brand awareness

Pursue Corporate Clients

Sustainable income stream

- Appointed official caterer for SGX Bull Charge Run 2015 and Standard Chartered Marathon 2015
- Secured 25 corporate clients to-date
*AIA Singapore, Cathay Cineplexes Pte Ltd, Ernst & Young Solutions LLP, Heineken Asia Pacific, National Healthcare Group, Singapore Institute of Management, The Star Performing Arts Centre, and *Scape Co. Ltd*

Improved Operations

Driving efficiencies and productivity

- New machineries in line with Neo Group's move towards full-automation

NEW INNOVATIVE PRODUCT LINES

1ST Fishball manufacturer to receive the AVA Food Safety Excellence Award (Gold) – Grade “A” for **15 consecutive years**



Fischeon – The Healthier Choice

- Made from Sardine and Tuna – naturally rich in Omega-3 and protein
- No colouring & preservatives
- Halal-certified
- 3 flavours – Original, Black Pepper and Light, which is endorsed by the Singapore Health Promotion Board (HPB) as the “Healthier Choice”

Healthier Choice Symbol Series



Healthier Choice Symbol Series Fish Cakes & Fish Balls

- Four flavours (Matcha, Bamboo Charcoal, Leek and Vegetable) to cater to different taste buds
- Lower in sodium and saturated fat and endorsed by HPB as the “Healthier Choice”
- High in calcium, no trans fat, no added preservatives, with added collagen and DHA

CT VEGETABLES & FRUITS

ENHANCED CAPABILITIES



New packing house and cold room with four times increased capacity

Import and export channels in Australia, Bangladesh, China, East Timor, Holland, India, Indonesia, Malaysia, Myanmar, New Zealand, Thailand, Vietnam

Commodities are specially air flown and delivered immediately to guarantee freshness

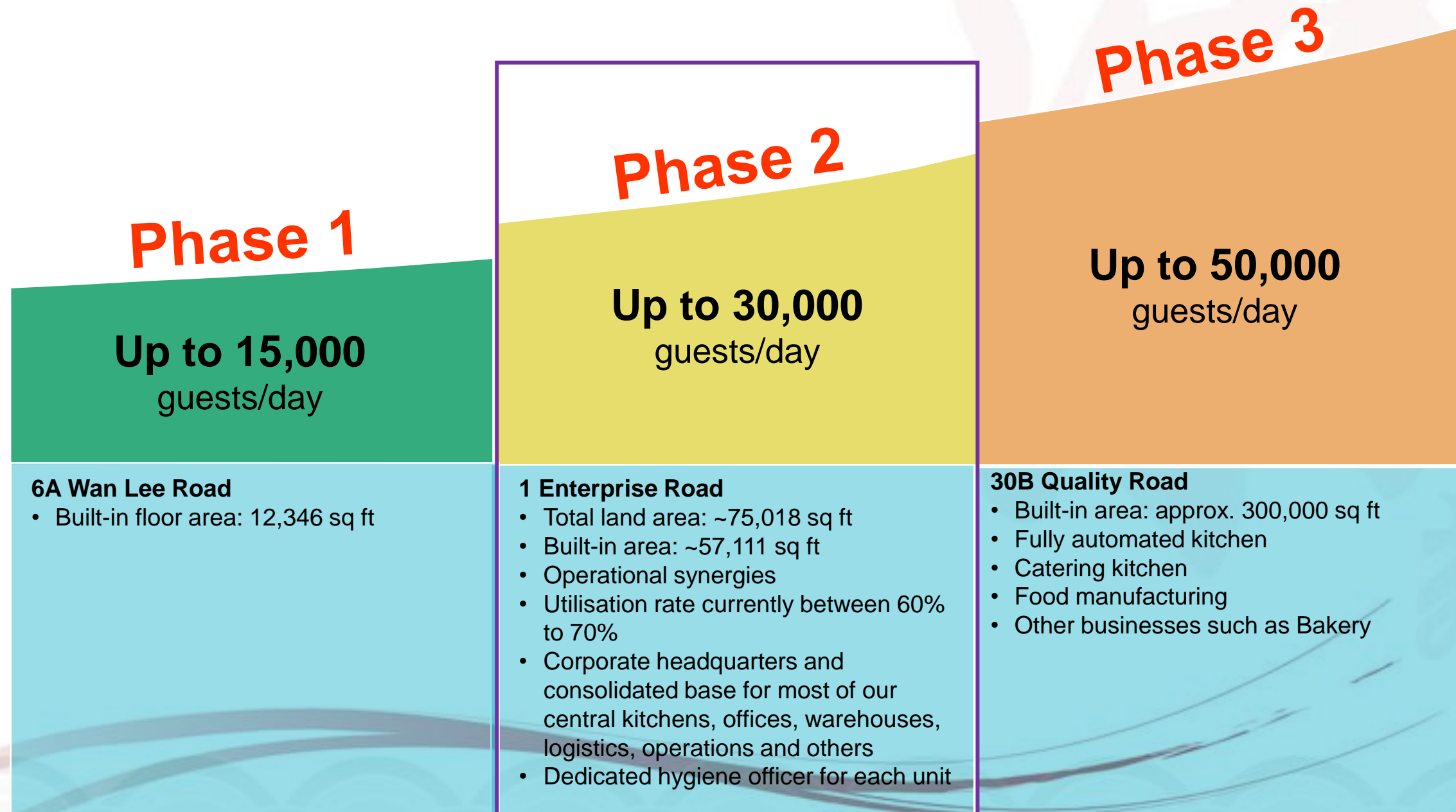
OUTLOOK AND PLANS AHEAD



FUTURE PLANS

ONGOING EFFORTS TO STREAMLINE BUSINESS OPERATIONS

ALL KITCHENS ACHIEVED ISO22000 IN MARCH 2016



WHY INVEST IN NEO GROUP?



WHY INVEST IN NEO GROUP?

1 Strong Brand Recognition

- Singapore's No. 1 event caterer since 2011
- Largest catering group capturing 14.7% market share of \$409M catering industry*
- Commitment to food quality, consistency and safety

2 Strong Revenue Growth

- Pursuit of both organic and inorganic growth (through strategic revenue-accretive M&A opportunities)

3 Integrated Value Chain

- Central Kitchen + Manufacturing Facilities + Food Trading and Food & Catering Supplies to support our Group
- Reap synergies and economies of scale

4 Clear Growth Strategies

- Vertical integration through M&A of companies with strong focus in food
- Leverage on TSH Group's international presence to expand into overseas markets and expertise in food manufacturing to automate kitchen
- Explore opportunities to create new recurring income streams

5 Multiple Product Lines to Capture Various Market Segments

- 4 Food Catering brands to capture mass to high-end market segment
- 5 Food Retail brands to offer unique concepts
- TSH Group to have multiple product line to meet the needs of varying market segments

** As defined in Euromonitor International report, 'Events Catering Services in Singapore', dated April 2016 whereby events catering refers to food catering services provided for social or corporate events only and is based upon customer value sales.*

THANK YOU

Disclaimer: This document has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this document.

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

The contact person for the Sponsor is Mr. Yee Chia Hsing, Head, Catalist. The contact particulars are 50 Raffles Place #09-01, Singapore Land Tower Singapore 048623, Telephone: +65 6337 5115.