



Neo Group Limited

UOB Kay Hian Retail Briefing
16 August 2017

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Section 1

CORPORATE OVERVIEW

MILESTONES



1992

Neo Group's Founder, Chairman & CEO Mr Neo Kah Kiat started Neo Garden in a humble shared kitchen in Joo Chiat (2,000 sq ft) with just 8 employees.



1994

The Group shifted from the East to a coffee shop in Jurong West (4,000 sq ft).



2004

To cope with the growing business, the Group shifted to 6A Wan Lee Road (7,600 sq ft), an expanded premise, and set up the Group's first halal-certified catering brand, Deli Hub.



2007

The Group started its first Japanese quick and convenient dining concept, umisushi at Eunos MRT station. Today, it has grown to over 20 outlets islandwide.

2012



The Group achieved another milestone with its listing on SGX Catalist in July.



2011

The Group marked another milestone, acquiring 30B Quality Road (122,000 sq ft) for further development.



2010

NKK Import & Export Trading was set up to source ingredients directly from distributors for better quality & cost control.



2008

Orange Clove, an East-West fusion catering brand, was set up to cater to the mid-tier market segment.



2013

The Group's operations, corporate headquarters and central kitchen were consolidated at 1 Enterprise Road (75,000 sq ft).

2014

Best Catering, NANAMI UDON, issho, Choz Confectionery and I DO Flowers & Gifts were added to the Group's portfolio of brands.



2015

TS Group and CTveg Group joined Neo Group. A new retail concept, LJJ Café, was launched.



2017

Hi-Q & U-Market (including Joo Chiat Kim Choo as its brand), joined the Group.



2016

Gourmetz was established to capture the childcare & elderly care market.



INTEGRATED FOOD & CATERING SOLUTIONS

FOOD CATERING	FOOD RETAIL	FOOD MANUFACTURING	SUPPLIES & TRADING	OTHER BUSINESSES
    	    	 	    	 

FY2017 Segment Revenue:

S\$63m

S\$19m

S\$48m

S\$31m

S\$1m

UNIQUE SELLING POINTS

BRAND VALUE

19 brands to capture different market segments

WIDE RETAIL COVERAGE

25[#] food retail outlets island-wide

SINGAPORE'S **NO. 1**
EVENTS CATERER*



GLOBAL FOOTPRINT
35 COUNTRIES

CT GROUP

One of Singapore's **LARGEST FRUITS AND VEGETABLE TRADER**

JOO CHIAT KIM CHOO

One of Singapore's most **POPULAR RICE DUMPLINGS**

TS GROUP (DODO)

Singapore's **LARGEST FISH BALL MANUFACTURER**

* As defined in Euromonitor International report, 'Events Catering Services in Singapore', dated April 2017 whereby events catering refers to food catering services provided for social or corporate events only and is based upon customer value sales

As at 1 June 2017

GLOBAL TRADING NETWORK



Section 2

SYNERGIES IN UPSTREAM ACQUISITIONS

BUSINESS DEVELOPMENT

TS GROUP



- Singapore's **LARGEST** fishball manufacturer
 - Wide **GLOBAL** distribution network across 24 countries
- ✓ Plan to gradually fully **AUTOMATE** kitchen processes and produce in-house products

CT GROUP



- Wide customer base including cruises and ships
 - Direct sourcing through global distribution network of 10 countries
- ✓ Fulfils ALL of Neo Group's fruit and vegetables needs → Group-wide **COST SAVINGS**

U-Market / Joo Chiat Kim Choo



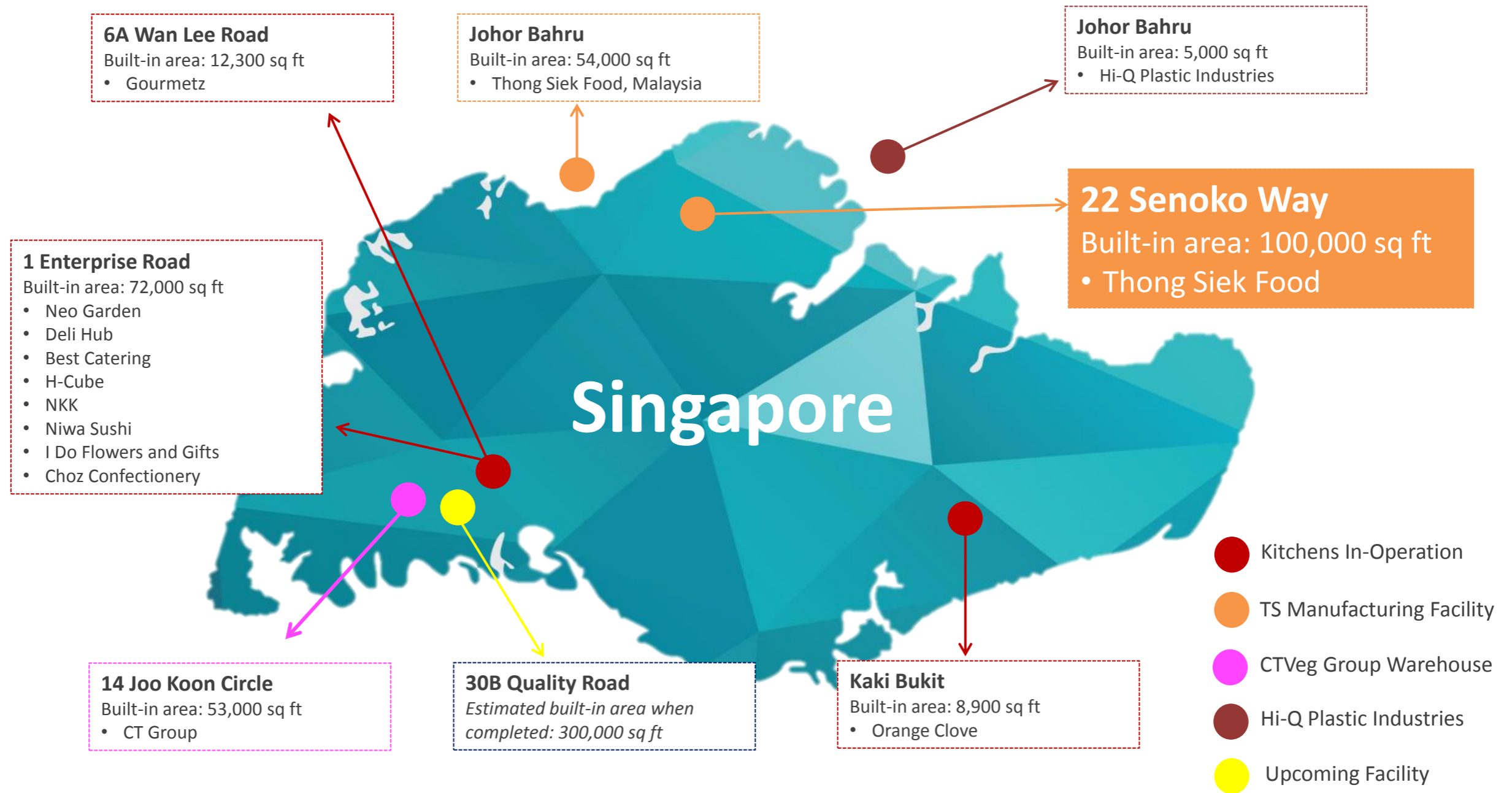
- 75%-owned U-Market manufactures and retails the famous premium Joo Chiat Kim Choo rice dumplings
 - Trades and processes meat-related items
- ✓ Fulfils ALL of Neo Group's meat-related needs → Group-wide **COST SAVINGS**

Hi-Q Plastic Industries



- 51%-owned manufacturer and supplier of plastics, resins, moulds and plastic packaging used by businesses in the F&B industry
- ✓ Fulfils ALL of Neo Group's plastic packaging needs → Group-wide **COST SAVINGS**

KITCHENS & FACILITIES



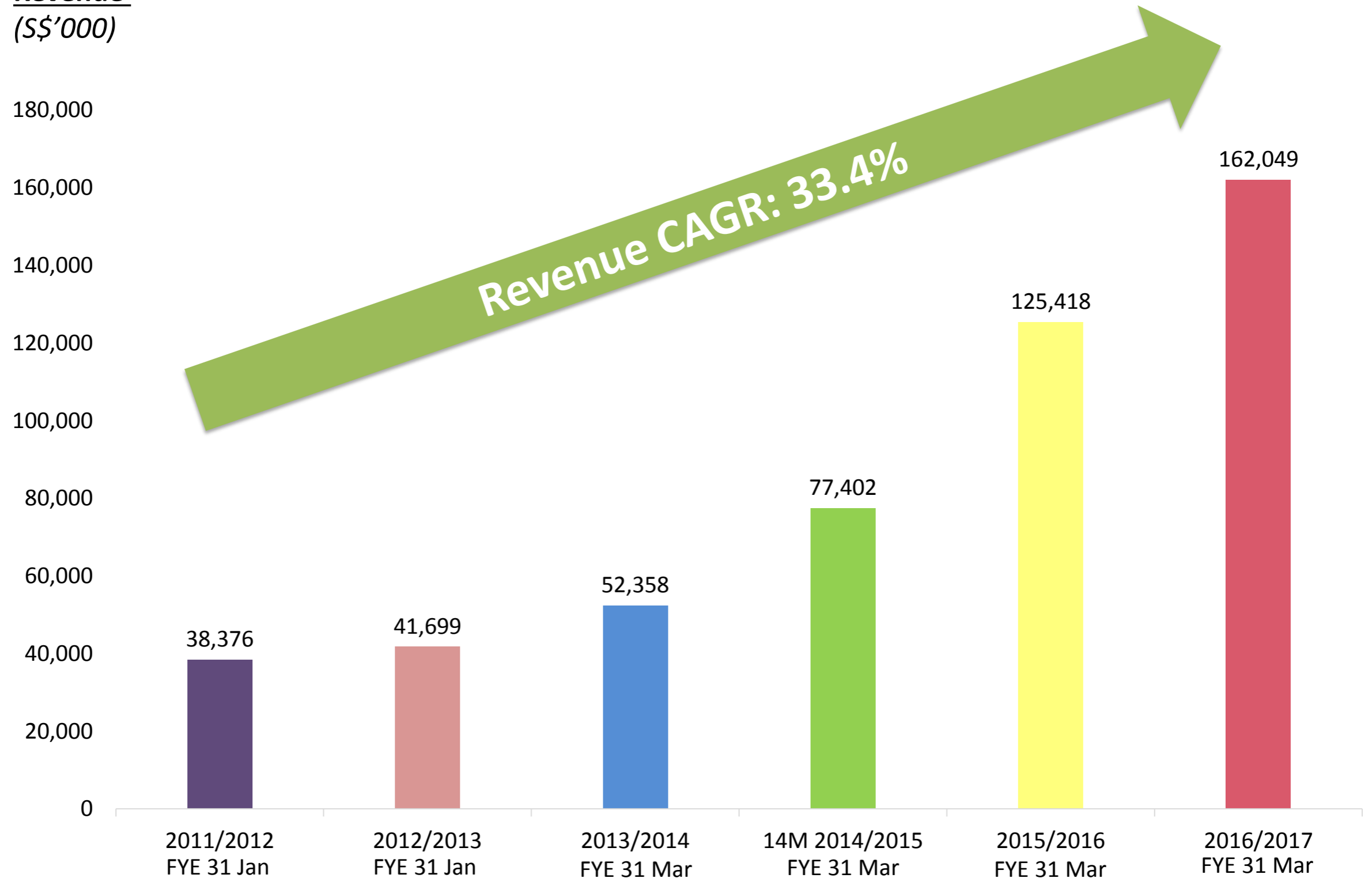
**OUR KITCHENS ACHIEVED ISO 22000
IN MARCH 2016**

Section 3

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Revenue
(S\$'000)

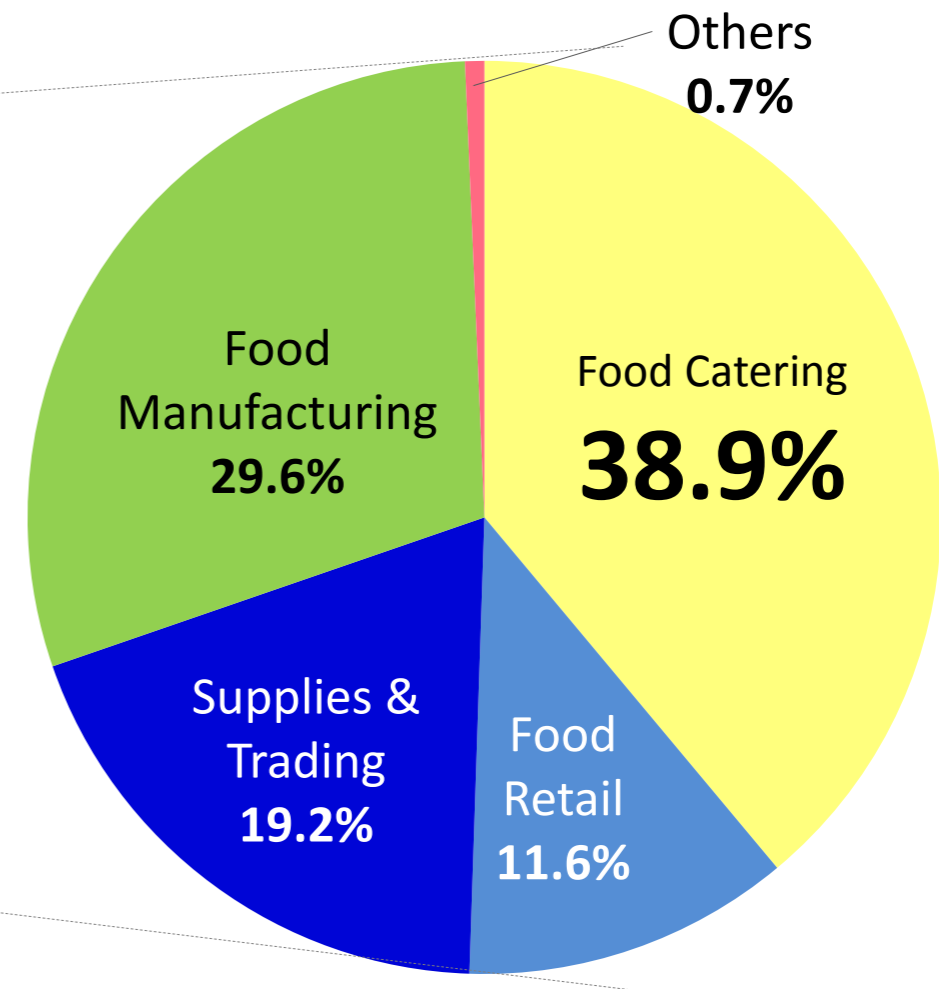
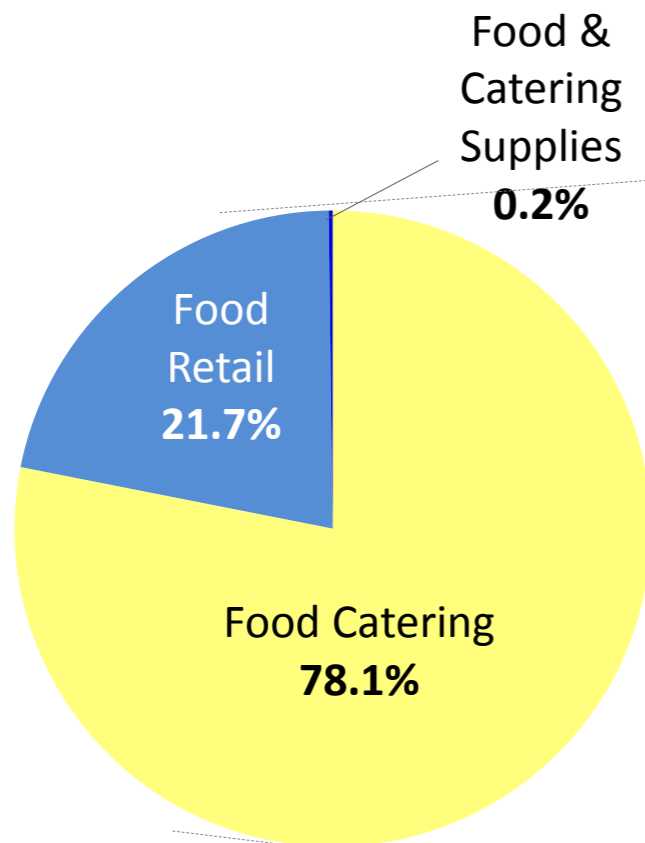


FINANCIAL HIGHLIGHTS

FY2012 Revenue
S\$38.4 Million

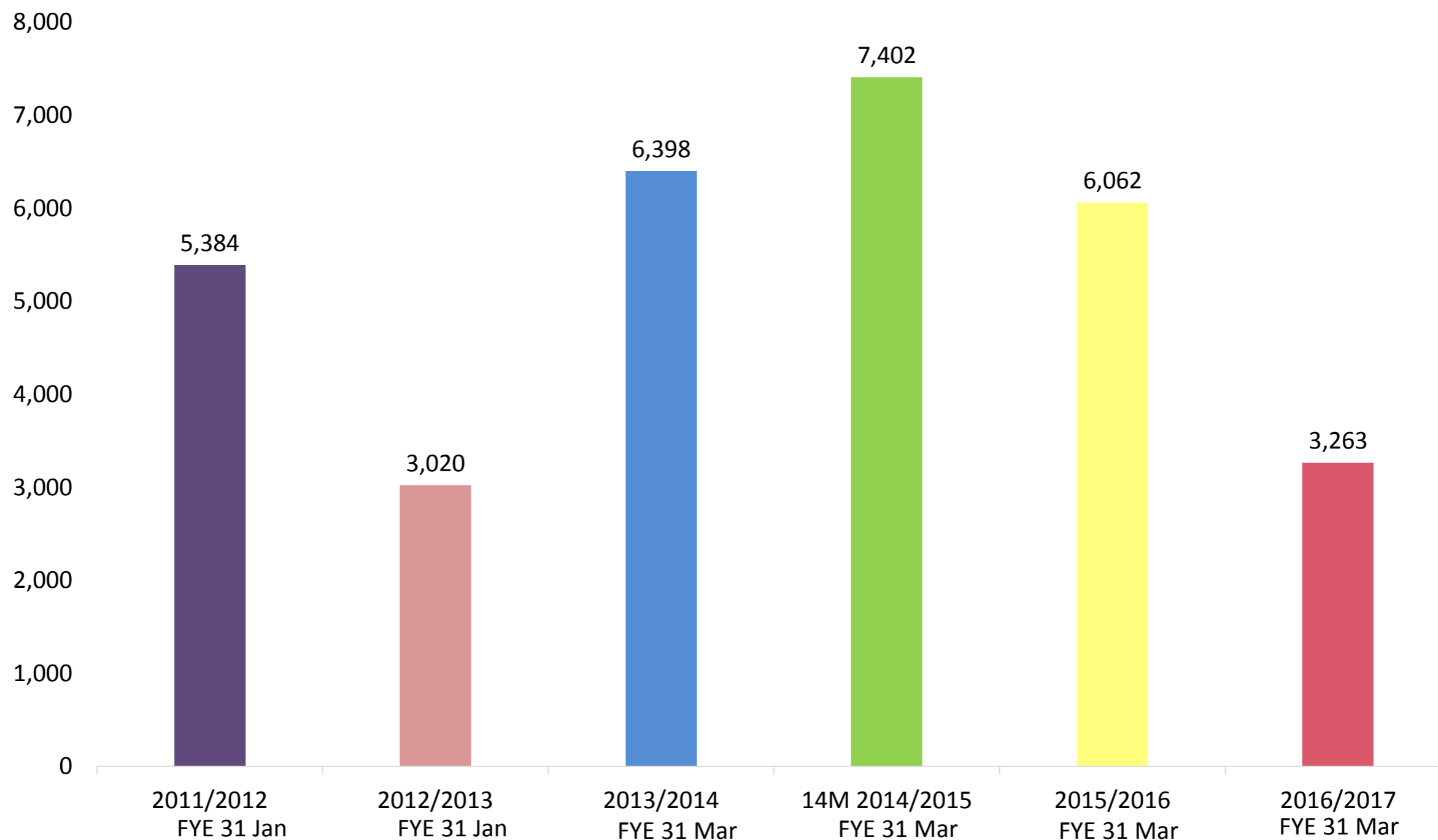
CAGR 33.4%

FY2017 Revenue
S\$162.0 Million



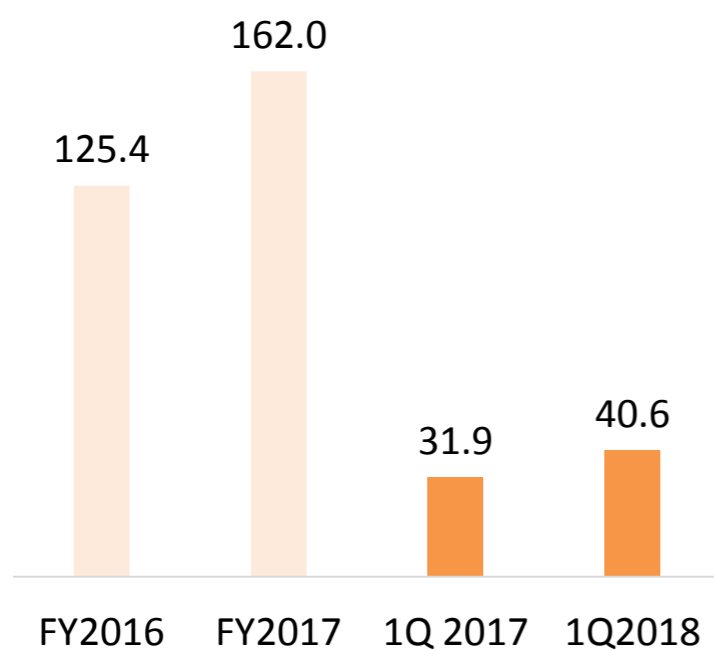
FINANCIAL HIGHLIGHTS

PATMI
(S\$'000)

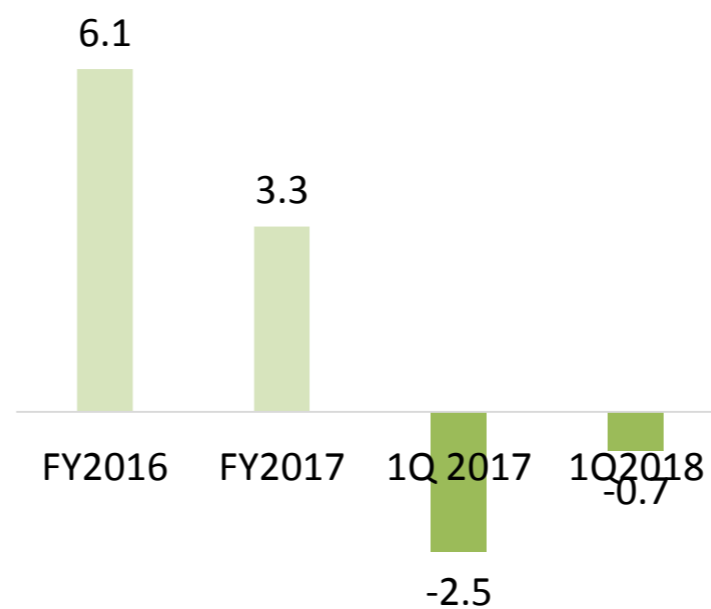


FINANCIAL HIGHLIGHTS

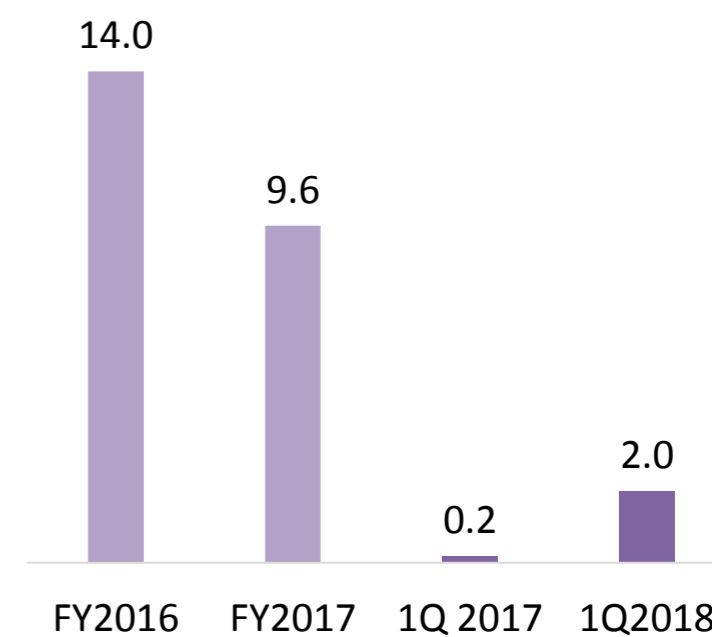
Revenue
(S\$m)



PATMI
(S\$m)



EBITDA
(S\$m)



Section 4

GROWTH STRATEGIES

OUR GROWTH STRATEGIES

FOOD CATERING

- NEW MARKET SEGMENTS: Gourmetz (elderly & childcare segments)
- Continue on domestic M&As
- Multi-brand & multi-market strategy
- Explore opportunities for recurring income streams

FOOD MANUFACTURING

- Expand OVERSEAS trading network to drive exports – higher margins
- Partnerships with distributors to open access to new markets
- Opportunistic regional M&A

SUPPLIES & TRADING

- Consolidation of facilities and logistic functions
- Take advantage of cross-selling opportunities
- Reduce reliance on third-party vendors

FOOD RETAIL

- New retail concepts, micro-brand strategy
- Continue on domestic M&A of promising retail concepts



Operational & Business Synergies Across All Segments

Section 5

WHY INVEST IN NEO GROUP

WHY INVEST IN NEO GROUP

1 Fully-Integrated F&B Group

- Food Manufacturing with global markets
- Food Retail
- Food Catering + Central Kitchens
- Supplies & Trading
- Operational & business synergies
- No brand dilution

2 High Growth; Consistent Dividends

- 33% revenue CAGR over 5 years
- Continue to grow organically and with sensible M&A strategy
- Consistent dividends

3 Strong Turnaround

- Following 1-year consolidation efforts – on track to turnaround acquisitions
- Current valuation



THANK YOU

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