
EXECUTION OF AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF PARK FOOD MANUFACTURING PTE LTD

Proposed Acquisition of Park Food Manufacturing Pte Ltd

1. The board of directors (the “**Board**”) of Neo Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s 55%-owned subsidiary, Thong Siek Holdings Pte. Ltd. (“**Thong Siek**”) has today entered into an exclusive dealing agreement (the “**Agreement**”) with Park Food Manufacturing Pte Ltd (“**Park Food**”), Goh & Lee Foodstuff Pte. Ltd. (“**Goh & Lee**”), Chew Kim Pin, Goh Liang Sua, Lee Song Hong, Lim Sen, Ng Choke Ang and Ng Chuan @ Ng See Hai (the “**Vendors**”), in relation to the proposed acquisition of shares in Park Food (the “**Proposed Acquisition**”).
2. Under the Agreement, the Vendors, Park Food and Goh & Lee agreed, among others, to provide Thong Siek with an exclusive right to negotiate the Proposed Acquisition during the period from today to 30 September 2017 (or such other date as the parties may mutually agree in writing) (the “**Exclusive Period**”).
3. The Vendors have also undertaken to complete a restructuring exercise such that Park Food will hold the entire issued and paid-up capital of Goh & Lee prior to the end of the Exclusive Period.
4. The Agreement will terminate upon the earliest of (i) the date on which written notice of termination is effected and deemed to be duly served by Thong Siek; (ii) the date on which a definitive term sheet in relation to the Proposed Acquisition is signed; (iii) the date on which a definitive agreement (in the absence of a definitive term sheet) in relation to the Proposed Acquisition is signed; or (iv) the expiry of the Exclusive Period.

Information on Park Food and Goh & Lee

5. Park Food was incorporated in 1986 and specializes in the manufacturing of meat balls under the “Lion Dance” brand. Goh & Lee was incorporated in 2005 and specialises in the wholesale and retail of meat balls and processed food.

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.

MEMBERS OF NEO GROUP



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 announcements to update shareholders on material developments regarding the Proposed Acquisition in accordance with the Rules of Catalist of the Singapore Exchange Securities Trading Limited at the appropriate juncture.

BY ORDER OF THE BOARD

Neo Kah Kiat
Chairman and Chief Executive Officer
Neo Group Limited
27 March 2017

This announcement has 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 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.

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.

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