
**ANNOUNCEMENT PURSUANT TO RULES 704(5) AND 706(6) OF THE LISTING MANUAL IN
RELATION TO THE AUDITED FINANCIAL STATEMENTS**

**Rule 704(6) Material differences between the audited financial statements and the unaudited
full year results announcement for the financial year ended 30 April 2014**

The Board of Directors (the “**Board**”) of Novo Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the unaudited full year results announcement for the financial year ended 30 April 2014 released on 24 June 2014 (the “**Unaudited Full Year Results**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to highlight that subsequent to the release of the Unaudited Full Year Results, there were certain material differences between the audited financial statements of the Group for financial year ended 30 April 2014 and the Unaudited Full Year Results following the finalisation of the audit. Details and clarifications of the differences are set out as follows.

Statements of Financial Position as at 30 April 2014

(In US\$'000)

		Group		
	Note	Audited	Previously Announced	Variance
Non-current liabilities				
Borrowings	1	–	22,750	-22,750
Deferred income		1,311	1,311	–
		1,311	24,061	-22,750
Current liabilities				
Trade and other payables		71,730	71,730	–
Derivative financial instruments		37	37	–
Borrowings	1	68,480	45,730	22,750
Deferred income		294	294	–
Tax payable		33	33	–
		140,574	117,824	22,750
Total liabilities		141,885	141,885	–

Explanatory Note:

Note 1

Adjustment is required to re-classify a term loan from non-current liability to current liability due to breaches of certain financial covenants by the Company. Although the Company has, on 18 July 2014, received a waiver (the “**Waiver**”) from the concerned bank that they consented to waive the breach of financial covenants for the Company retrospective to the financial year ended 30 April 2014 and that they will not demand immediate repayment of the relevant bank loan, the said loan is still re-classified and presented as current liabilities as at 30 April 2014 because the Waiver was received only after the account closing date 30 April 2014, in compliance with the financial reporting standards. The said breach has no significant impact on the operation of the Company.

BY ORDER OF THE BOARD

Yu Wing Keung, Dicky
Executive Chairman
24 July 2014