
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Circular is issued by Novo Group Ltd. (the “**Company**”). **If you are in any doubt** as to any aspect of this Circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the capital of the Company, you should at once hand this Circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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NOVO GROUP LTD.

新源控股有限公司*

(Incorporated in Singapore with limited liability)

(Company Registration No. 198902648H)

Singapore Stock Code: MR8

Hong Kong Stock Code: 1048

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
PROPOSED GRANTING OF GENERAL MANDATE
TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at the Meeting Room 832, Level 8, Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on Monday, 17 October 2016 at 9:30 a.m. is set out on pages 14 to 18 of this Circular. A form of proxy for use at the Annual General Meeting is also enclosed with this Circular.

If you are not able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Singapore Principal Share Registrar and Transfer Office, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) or the Company’s Hong Kong Branch Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 31/F., 148 Electric Road, North Point, Hong Kong (for Hong Kong Shareholders) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

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DEFINITIONS

In this Circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“ACRA”	Accounting and Corporate Regulatory Authority of Singapore
“Annual General Meeting”	the annual general meeting of the Company to be held at the Meeting Room 832, Level 8, Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on Monday, 17 October 2016 at 9:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 18 of this Circular, or any adjournment thereof
“Annual Report”	the annual report of the Company for the year ended 30 April 2016
“Board”	the board of Directors
“CDP”	The Central Depository (Pte) Limited
“Companies Act”	the Companies Act (Chapter 50) of Singapore, as may be amended, modified and supplemented from time to time
“Company”	NOVO GROUP LTD., a company incorporated in Singapore with limited liability, the Shares of which are listed on the Main Board of the SGX-ST and the Main Board of the SEHK
“Constitution”	the constitution of the Company
“Depositor(s)”	the term “Depositor(s)” shall have the meaning ascribed to it in Section 81SF of the SFA
“Director(s)”	the director(s) of the Company
“General Share Issue Mandate”	a general and unconditional mandate to allot, issue or deal with Shares, subject to and in accordance with the terms and conditions of the mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“HKSCC”	HKSCC Nominees Limited

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the SEHK
“Latest Practicable Date”	25 August 2016, being the latest practicable date prior to the printing of this Circular for ascertaining certain information in this Circular
“Listing Manual”	the listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Securities Account(s)”	the securities account(s) maintained with CDP, but not including the securities account(s) maintained with a depository agent (as defined in Section 81SF of the SFA)
“SEHK”	The Stock Exchange of Hong Kong Limited
“SFA”	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary share(s) in the capital of the Company, and the term “Share” shall be construed accordingly
“Shareholder(s)”	the registered holder(s) of the Share(s), except where the registered depositor is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts with CDP are credited with the Shares; and where the registered holder is HKSCC, the term “Shareholders” shall, in relation to such Shares, mean the depositors whose securities accounts are maintained by HKSCC or other licensed securities dealers or registered institutions in securities, or custodian banks through CCASS, and the term “Shareholder” shall be construed accordingly
“S\$”	Singapore dollars and cents respectively
“US\$”	United States dollars
“%”	per centum or percentage

DEFINITIONS

Depositors. The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

References. Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

Rounding. Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Sections. Any reference in this Circular to a section is a reference to a section of this Circular, unless otherwise stated.

Shareholders. References to “you”, “your” and “yours” in this Circular are, as the context so determines, to Shareholders (including persons whose Shares are deposited with CDP or HKSCC or who have purchased Shares on the SGX-ST or the SEHK).

Statutes or ordinances. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended, supplemented or re-enacted. Any word defined under the SFA, SFO, Companies Act, Hong Kong Listing Rules, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning ascribed to it under the respective enactment, as the case may be, unless the context otherwise requires.

Time and date. Any reference to a time of day and date in this Circular is made by reference to Singapore and Hong Kong time and date, unless otherwise stated.

NOVO GROUP LTD.
新源控股有限公司*

(Incorporated in Singapore with limited liability)
(Company Registration No. 198902648H)

Singapore Stock Code: MR8

Hong Kong Stock Code: 1048

Executive Directors:

Zhu Jun (*Executive Chairman*)

Chow Kin Wa (*Chief Executive Officer*)

Wang Jianqiao

Registered Office:

24 Raffles Place

#10-05 Clifford Centre

Singapore 048621

Independent non-executive Directors:

Tang Chi Loong

Foo Teck Leong

William Robert Majcher

*Headquarters and Principal Place
of Business in Hong Kong:*

Room Nos. 1102-4 on 11/F

Empire Centre, 68 Mody Road

Kowloon, Hong Kong

31 August 2016

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
PROPOSED GRANTING OF GENERAL MANDATE
TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The primary purpose of this Circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for, among others, (i) the re-election of the retiring Directors; and (ii) the granting to the Directors of the General Share Issue Mandate.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Regulation 89 of the Constitution, Mr. Tang Chi Loong shall retire at the Annual General Meeting. In addition, Mr. Zhu Jun and Ms. Wang Jianqiao (who were appointed on 30 October 2015) and Mr. William Robert Majcher (who was appointed on 27 November 2015) will hold office until the conclusion of the Annual General Meeting pursuant to Regulation 88 of the Constitution. All the above retiring Directors, being eligible, shall offer themselves for re-election at the Annual General Meeting.

* *For identification purpose only*

LETTER FROM THE BOARD

Mr. Tang Chi Loong and Mr. William Robert Majcher bring their respective valuable industry experiences and contribute to the Board's efforts in promoting the best interests of the Company and its Shareholders. Alongside the other independent non-executive Directors, they contribute to ensuring that the interests of all Shareholders are taken into account and that relevant issues are subject to objective and dispassionate consideration by the Board. The Company received written confirmations from Mr. Tang Chi Loong and Mr. William Robert Majcher annually on their independence in accordance with the Hong Kong Listing Rules and the Listing Manual. Accordingly, the Board considers each of Mr. Tang Chi Loong and Mr. William Robert Majcher to be independent pursuant to Rule 3.13 of the Hong Kong Listing Rules and Rule 704(8) of the Listing Manual and recommends each of them to be re-elected as an independent non-executive Director at the Annual General Meeting.

The information required to be disclosed under the Hong Kong Listing Rules in relation to the Directors proposed for re-election is set out in Appendix I to this Circular.

3. GENERAL SHARE ISSUE MANDATE

At the annual general meeting of the Company held on 31 August 2015, a general mandate was granted by the then Shareholders to the Directors to allot, issue or deal with Shares, subject to and in accordance with the terms and conditions of the mandate. The existing General Share Issue Mandate shall expire at the conclusion of the Annual General Meeting.

An ordinary resolution as set out in the notice of the Annual General Meeting will be proposed at the Annual General Meeting, pursuant to Section 161 of the Companies Act, the Listing Manual and the Hong Kong Listing Rules, to seek the approval of the Shareholders to authorise and empower the Directors to:

- (a) (i) issue Shares in the Company, whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, during the continuance of such authority or thereafter, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Board may, in their absolute discretion, deem fit; and

- (b) issue Shares in pursuance of any Instrument made or granted by the Board while such authority was in force (notwithstanding that such issue of the Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution);

LETTER FROM THE BOARD

provided always, that subject to any applicable regulations as may be prescribed by the SGX-ST and the SEHK:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the issued Shares in the capital of the Company (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below) of which the aggregate number of Shares to be issued other than on a pro-rata basis to Shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST and the SEHK) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be based on the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for the following events:
 - (aa) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (bb) any subsequent bonus issue, consolidation or subdivision of Shares,
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual, as amended from time to time (unless such compliance has been waived by the SGX-ST), the Hong Kong Listing Rules, as amended from time to time (unless such compliance has been waived by the SEHK) and the Constitution; and
- (4) the authority conferred by this resolution shall continue in force until the earliest of:
 - (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the date by which the next annual general meeting of the Company is required by law to be held; and
 - (cc) the revocation or variation of the authority given under this Resolution by ordinary resolution passed by the Shareholders in general meetings.

LETTER FROM THE BOARD

Notwithstanding the above, it must be noted that the Hong Kong Listing Rules and the Listing Manual provide that the general mandate obtained from Shareholders in general meeting shall be subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted under the general mandate must not exceed 20% of the existing issued share capital of the Company. The Company shall comply with the requirements under the Hong Kong Listing Rules or the Listing Manual for matters relating to the general mandate, whichever is more onerous.

As at the Latest Practicable Date, the Company had 191,484,269 Shares in issue and the maximum number of Shares that can be issued other than on a pro-rata basis to Shareholders is 38,296,854 Shares, being 20% of the Shares in issue (assuming no Share is issued or repurchased after the Latest Practicable Date and up to the passing of the relevant Resolution).

The grant of the General Share Issue Mandate will provide flexibility to the Directors to issue new Shares when it is in the interest of the Company.

IMPORTANT: Notwithstanding the grant of the General Share Issue Mandate, the Company shall from time to time comply with the relevant requirements under Rule 806 of the Listing Manual and the Hong Kong Listing Rules in relation to issuance of securities, in particular Rules 7.19(6) and 13.36 thereof.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this Circular.

Pursuant to the Hong Kong Listing Rules and the Listing Manual, any vote of shareholders at a general meeting must be taken by poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every Share held which is fully paid or credited as fully paid.

An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 704(16) of the Listing Manual and Rule 13.39(5) of the Hong Kong Listing Rules.

5. DIRECTORS' RECOMMENDATION

The Directors consider that the Resolutions in relation to, among others, the proposed re-election of retiring Directors and the proposed granting of the General Share Issue Mandate are in the best interests of the Company and Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of all such Resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Set out on pages 14 to 18 of this Circular is a notice convening the Annual General Meeting at which the resolutions are proposed to be passed. A proxy form for use at the Annual General Meeting is enclosed with this Circular. Shareholders who are unable to attend Annual General Meeting and wish to appoint a proxy/proxies to attend and vote at the Annual General Meeting on their behalf will find attached to this Circular a proxy form which they requested to complete and sign in accordance with the instructions printed thereon and return it to the Company's Singapore Principal Share Registrar and Transfer Office, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) or to the Company's Hong Kong Branch Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 31/F., 148 Electric Road, North Point, Hong Kong (for Hong Kong Shareholders) not less than 48 hours before the time fixed for the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form shall not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

A Depositor shall not be regarded as a Shareholder entitled to attend the Annual General Meeting and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP, at least 72 hours before the Annual General Meeting.

7. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Manual and the Hong Kong Listing Rules for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this Circular misleading in any material respect.

In accordance with the Singapore Listing Rules, the Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts of the proposed re-election of retiring Directors and the proposed granting of the General Share Issue Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER FROM THE BOARD

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 24 Raffles Place #10-05 Clifford Centre Singapore 048621 and the headquarters and principal place of business of the Company in Hong Kong at Room Nos. 1102-4 on 11/F, Empire Centre, 68 Mody Road, Kowloon, Hong Kong, during normal business hours for three (3) months from the date hereof:

- (a) The Constitution;
- (b) This circular together with the accompanying proxy form and notice of Annual General Meeting; and
- (c) The Annual Report.

9. GENERAL INFORMATION

Your attention is drawn to the information set out in Appendix I to this Circular.

10. MISCELLANEOUS

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

Yours faithfully
For and on behalf of the Board
NOVO GROUP LTD.
Zhu Jun
Executive Chairman and Executive Director

The following are details of the Directors who shall retire and being eligible, offer themselves for re-election at the Annual General Meeting.

EXECUTIVE DIRECTOR

Zhu Jun (“**Mr. Zhu**”), aged 56, Executive Chairman and Executive Director, was appointed on 30 October 2015. He is responsible for formulating the Group’s strategic directions, expansion and overall business development plans. He is also a director and the sole shareholder of Golden Star Group Limited, which is a controlling shareholder of the Company. Mr. Zhu is a World Fellow of The Duke of Edinburgh’s International Award since 2014. He holds a Bachelor’s degree from the Beijing Agricultural Engineering University and studied at Guangdong Academy of Social Science from 1988 to 1990. Since 30 October 2015, he has been the chairman of the nominating committee and a member of the remuneration committee of the Company.

Mr. Zhu has entered into a service agreement with the Company for a term of 3 years commencing from 30 October 2015. The service contract may be terminated in accordance with the provisions in the service contract by either party giving to the other party 3 months’ written notice. He is also subject to the provisions of retirement by rotation at least once every three years and re-election in accordance with the Constitution. He is entitled to receive a remuneration of HK\$12 per annum, share options and discretionary bonus as the Company shall determine. The share options and discretionary bonus of Mr. Zhu is determined by the Company from time to time based on the recommendation by the remuneration committee of the Company taking into account, among other factors, his qualifications and experience, responsibilities undertaken, contribution to the Company and the prevailing market level of remuneration for similar position. The total emoluments of Mr. Zhu for the year ended 30 April 2016 have been set out in the Annual Report of the Company.

Mr. Zhu does not have any relationship with any Directors and key management personnel. Save as disclosed above, Mr. Zhu does not have other relationship with the substantial or controlling Shareholder(s) of the Company. Mr. Zhu has not held any directorship in other listed companies in the past three years. As at the Latest Practicable Date, Mr. Zhu personally owns 700,000 Shares and beneficially owns 126,803,668 Shares via his wholly-owned company, Golden Star Group Limited, representing approximately 0.37% and 66.22% of the issued share capital of the Company respectively. By virtue of Part XV of the SFO, Mr. Zhu is deemed to be interested in all the Shares owned by Golden Star Group Limited.

As far as the Directors are aware, save as disclosed above, there is no other information relation to Mr. Zhu which is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters concerning Mr. Zhu that need to be brought to the attention of the Shareholders.

* *Reference to “Key management personnel” in this Circular shall include persons referred to as “senior management” under the Hong Kong Listing Rules.*

EXECUTIVE DIRECTOR

Wang Jianqiao (王建巧) (“**Ms. Wang**”), aged 28, Executive Director, was appointed on 30 October 2015. She is also a director of Golden Star Group Limited, which is a controlling shareholder of the Company. She had worked for large enterprises including the Finance Shared Service Center of the Baosteel Group in 2012 and Ping An Bank between 2013 and 2015. Ms. Wang holds a Bachelor’s degree in Management from the Shanghai Finance University. She has been taking Executive Master of Business Administration program of Shanghai Jiao Tong University, since 25 November 2015.

Ms. Wang has entered into a service agreement with the Company for a term of 3 years commencing from 30 October 2015. The service contract may be terminated in accordance with the provisions in the service contract by either party giving to the other party 3 months’ written notice. She is also subject to the provisions of retirement by rotation at least once every three years and re-election in accordance with the Constitution. She is entitled to receive a remuneration of HK\$1,800,000 per annum, share options and discretionary bonus as the Company shall determine. The emolument of Ms. Wang is determined by the Company from time to time based on the recommendation by the remuneration committee of the Company taking into account, among other factors, her qualifications and experience, responsibilities undertaken, contribution to the Company and the prevailing market level of remuneration for similar position. The total emoluments of Mr. Wang for the year ended 30 April 2016 have been set out in the Annual Report of the Company.

Ms. Wang does not have any relationship with any Directors and key management personnel. Save as disclosed above, Ms. Wang does not have other relationship with the substantial or controlling Shareholder(s) of the Company. Ms. Wang has not held any directorship in other listed companies in the past three years. As at the Latest Practicable Date, Ms. Wang did not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

As far as the Directors are aware, save as disclosed above, there is no other information relation to Ms. Wang which is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters concerning Ms. Wang that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Tang Chi Loong (曾子龍) (“**Mr. Tang**”), aged 47, Independent Non-Executive Director, was appointed on 1 July 2009. He graduated from the Law faculty of the National University of Singapore and is an advocate and solicitor of the Supreme Court of Singapore. Mr. Tang has been a practising lawyer for more than 15 years with experience in diverse areas of the law. He is currently a partner of a law firm, Hin Tat Augustine and Partners overseeing the insurance law department of the firm. Since 29 April 2016, Mr. Tang has ceased to act as a director of Sinjia Land Limited (formerly known as HLN Technologies Limited), a company listed on the SGX-ST. Since 1 July 2009, he has been the chairman of the remuneration committee and the nominating committee and a member of the audit committee. He has been re-designated from chairman to member of the nominating committee on 30 October 2015.

Mr. Tang has accepted the letter of appointment with the Company for a term of two years commencing from 1 February 2016. The letter of appointment may be terminated in accordance with the provisions in the letter of appointment by either party giving to the other party three months' written notice. Mr. Tang subject to the provisions of retirement by rotation at least once every three years and re-election in accordance with the Constitution. Mr. Tang was entitled to an annual director's fee of S\$43,000, which was determined with reference to the prevailing market conditions, his duties and responsibilities in the Company. The amount of Director's fee may vary subject to Shareholders' approval at annual general meeting to be convened for each financial year.

Mr. Tang does not have any relationship with any Directors, key management personnel, or substantial or controlling Shareholder(s) of the Company. Save as disclosed above, Mr. Tang has not held any directorship in other listed companies in the past three years. As at the Latest Practicable Date, Mr. Tang did not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

As far as the Directors are aware, save as disclosed above, there is no other information relating to Mr. Tang which is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters concerning Mr. Tang that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

William Robert Majcher ("**Mr. Majcher**"), aged 53, was appointed as Independent Non-Executive Director on 27 November 2015. Mr. Majcher holds a Bachelor's degree in Commerce from St. Mary's University, Halifax, Nova Scotia, Canada. With over 25 years of experience in public service, international finance and capital markets, he is recognised as an expert on money laundering in the United States Federal Court for the Southern District of Florida and the Supreme Court of British Columbia and the Ontario Superior Court of Justice in Canada. Mr. Majcher is currently an independent non-executive director of (i) Evolving Gold Corporation (a company listed on both The Canadian Stock Exchange with stock code: EVG and The Frankfurt Stock Exchange with stock code: EV7); and (ii) Chanceton Financial Group Limited (a company listed on the Growth Enterprise Market of the SEHK with stock code: 8020). Mr. Majcher has resigned as the (i) chairman and an executive director of China Investment Fund Company Limited (a company listed on the Main Board of the SEHK with stock code: 612) with effect from 15 January 2013; (ii) independent non-executive director of CCT Land Holdings Limited (a company listed on the Main Board of the SEHK with stock code: 261) with effect from 29 February 2016; and (iii) independent non-executive director of Pan American Goldfields Ltd. (a company listed on the OTC Bulletin Board with stock code: MXOM) with effect from 6 June 2014. Since 27 November 2015, he is a member of the audit committee, remuneration committee and nominating committee of the Company.

Mr. Majcher has accepted the letter of appointment with the Company for a term of three years commencing from 27 November 2015. The letter of appointment may be terminated in accordance with the provisions in the letter of appointment by either party giving to the other party three months' written notice. He is also subject to the provisions of retirement by rotation at least once every three years and re-election in accordance with the Constitution. Mr. Majcher was entitled to an annual director's fee of US\$34,000, which was determined based on the recommendation by the remuneration committee of the Company taking into account, among other factors, his qualifications and experience, responsibilities undertaken, contribution to the Company and the prevailing market level of remuneration for similar position. The amount of Director's fee may vary subject to Shareholders' approval at annual general meeting to be convened for each financial year.

Mr. Majcher does not have any relationship with any Directors, key management personnel, or substantial or controlling Shareholder(s) of the Company. Save as disclosed above, Mr. Majcher has not held any directorship in other listed companies in the past three years. As at the Latest Practicable Date, Mr. Majcher did not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

As far as the Directors are aware, save as disclosed above, there is no other information relating to Mr. Majcher which is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters concerning Mr. Majcher that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

NOVO GROUP LTD.

新源控股有限公司*

(Incorporated in Singapore with limited liability)

(Company Registration No. 198902648H)

Singapore Stock Code: MR8

Hong Kong Stock Code: 1048

NOTICE IS HEREBY GIVEN that the annual general meeting of NOVO GROUP LTD. (the “**Company**”) shall be held at the Meeting Room 832, Level 8, Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on Monday, 17 October 2016 at 9:30 a.m. (the “**Annual General Meeting**”) for the purpose of transacting the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the audited consolidated financial statements of the Company and its subsidiaries for the year ended 30 April 2016 together with the Auditors’ Report thereon.

(Resolution 1)

2. To re-elect the following Directors pursuant to the Constitution of the Company (the “**Constitution**”):

- (i) Mr. Zhu Jun as executive Chairman and executive Director (Regulation 88)

[See Explanatory Note 1]

(Resolution 2)

- (ii) Ms. Wang Jianqiao as executive Director (Regulation 88)

(Resolution 3)

- (iii) Mr. Tang Chi Loong as independent non-executive Director (Regulation 89)

[See Explanatory Note 2]

(Resolution 4)

- (iv) Mr. William Robert Majcher as independent non-executive Director (Regulation 88)

[See Explanatory Note 3]

(Resolution 5)

3. To approve the sum of up to S\$140,000 as Directors’ fees for the year ending 30 April 2017 (2016: S\$130,000).

(Resolution 6)

4. To re-appoint Messrs Baker Tilly TFW LLP as the auditor of the Company for the year ending 30 April 2017 and to authorise the Directors to fix its remuneration.

(Resolution 7)

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without amendments:

5. General Share Issue Mandate

“That pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore (the “**Companies Act**”), the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the Rules Governing the Listing of Securities (the “**Hong Kong Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

- (a) (1) issue shares in the Company (the “**Shares**”), whether by way of rights, bonus or otherwise; and/or
- (2) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, during the continuance of such authority or thereafter, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the board of Directors (the “**Board**”) may, in their absolute discretion, deem fit; and

- (b) issue Shares in pursuance of any Instrument made or granted by the Board while such authority was in force (notwithstanding that such issue of the Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution);

provided always, that subject to any applicable regulations as may be prescribed by the SGX-ST and the SEHK:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the issued Shares in the capital of the Company (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below) of which the aggregate number of Shares to be issued other than on a pro-rata basis to the Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

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- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST and the SEHK) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be based on the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for the following events:
- (aa) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (bb) any subsequent consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual, as amended from time to time (unless such compliance has been waived by the SGX-ST), the Hong Kong Listing Rules, as amended from time to time (unless such compliance has been waived by the SEHK) and the Constitution of the Company; and
- (4) the authority conferred by this resolution shall continue in force until the earliest of:
- (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the date by which the next annual general meeting of the Company is required by law to be held; and
 - (cc) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Shareholders in general meetings;

[See Explanatory Note 4]

(Resolution 8)

6. To transact any other business that may be properly transacted at the annual general meeting of the Company.

By Order of the Board
Srikanth Rayaprolu
Company Secretary

Singapore, 31 August 2016

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Explanatory Notes:

1. Mr. Zhu Jun shall, upon re-election as an Executive Chairman and Executive Director of the Company, remain as the Chairman of Nominating Committee and the member of the Remuneration Committee.
2. Mr. Tang Chi Loong shall, upon re-election as an Independent Non-Executive Director of the Company, remain as the Chairman of the Remuneration Committee and the member of the Nominating Committee and the Audit Committee. He is considered as independent for the purposes of Rule 704(8) of the Listing Manual and Rule 3.13 of the Hong Kong Listing Rules.
3. Mr. William Robert Majcher shall, upon re-election as an Independent Non-Executive Director of the Company, remain as the member of the Remuneration Committee, the Nominating Committee and the Audit Committee. He is considered as independent for the purposes of Rule 704(8) of the Listing Manual and Rule 3.13 of the Hong Kong Listing Rules.
4. The Ordinary Resolution 8 proposed in item 5 above, if passed, shall empower the Directors of the Company to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to Shareholders.

For determining the aggregate number of Shares that may be issued on a pro-rata basis, the total number of issued Shares (excluding treasury shares) shall be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time the Ordinary Resolution 8 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution 8 is passed and any subsequent bonus issue, consolidation or subdivision of Shares. In determining the 20% which may be issued other than on a pro-rata basis, the total number of issued Shares (excluding treasury shares) shall be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time the Ordinary Resolution 8 is passed.

IMPORTANT: Notwithstanding the passing of the Ordinary Resolution 8, the Company shall from time to time comply with the relevant requirements under Rule 806 of the Listing Manual and the Hong Kong Listing Rules in relation to issuance of securities, in particular Rules 7.19(6) and 13.36 thereof.

Notes:

- (1) A member of the Company entitled to attend and vote at the Annual General Meeting may appoint not more than two proxies to attend and vote in his/her stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
- (2) Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each such proxy.

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- (3) Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the member. Where such member appoints more than two proxies, the number and class of shares to be represented by each proxy must be stated.
- (4) The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
- (5) The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, must be deposited at the Company's Singapore Principal Share Registrar and Transfer Office, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders), or at the Company's Hong Kong Branch Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 31/F., 148 Electric Road, North Point, Hong Kong (for Hong Kong Shareholders), not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof.
- (6) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting in order for the Depositor to be entitled to attend and vote at the Annual General Meeting.
- (7) Completion and return of a proxy form will not preclude a member from attending and voting in person at the above meeting or any adjournment of such meeting and in such event, the proxy form previously submitted shall be deemed to be revoked.

Personal Data Privacy:

"Personal data" in this notice has the same meaning as "personal data" in the Personal Data Protection Act 2012 ("PDPA"), which includes your and your proxy's and/or representative's name, address and NRIC/Passport No. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and its proxy(ies)'s or representative's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; (iii) undertakes that the member will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iv) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. Your and your proxy and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share register and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.