

NOVO GROUP LTD.

Registration No. 198902648H

Incorporated in the Republic of Singapore

FURTHER ANNOUNCEMENT ON DISPOSAL OF PROPERTY

The board (the “**Board**”) of directors (the “**Directors**”) of Novo Group Ltd. (the “**Company**”) refers to the announcement dated 28 April 2016 (“**Announcement**”) on the Disposal of Property.

Unless otherwise specified, all capitalised terms used and not defined herein shall have the same meanings ascribed to them in the Announcement.

The Board wishes to announce that the Vendor has, on 10 May 2016, entered into an Agreement for Sale and Purchase (“**Formal SPA**”) with the Purchaser, on the same terms and conditions as the Preliminary SPA. Pursuant to the Formal SPA, the Vendor’s solicitor has, on 10 May 2016, received the further deposit of HK\$7,028,000 from the Purchaser.

The Board wishes to announce that, due to an administrative inadvertence, the following sections of the Announcement will be substituted with the disclosures set out below:-

1. The first paragraph of the section titled “POSSIBLE GAIN ON THE DISPOSAL” of the Announcement should be read as follows, with the changes underlined and in strikethrough below:-

Based on the unaudited net book value of the Property of approximately US\$4,921,405 (approximately equivalent to HK\$38,386,959) as at 31 January 2016, ~~the stamp duty, agent commission and other expenses in relation thereto,~~ the Company expects to record an unaudited gain from the Disposal of approximately US\$4,088,851 (approximately equivalent to HK\$31,893,038) upon Completion (before deduction of relevant costs and expenses).

2. The section titled “FINANCIAL EFFECTS” in the Announcement should be replaced with the following:-

FINANCIAL EFFECTS

For illustrative purposes only, based on the latest audited financial statements of the Group for the financial year ended 30 April 2015 and the latest unaudited consolidated financial statements of the Group for the nine months ended 31 January 2016, the financial effects of the Disposal are set out below:-

Net Tangible Assets (NTA)

The effect of the Disposal on the NTA per share of the Group for the financial year ended 30 April 2015 and nine months ended 31 January 2016, assuming that the Disposal had been effected at the end of the relevant financial period, is as follows:-

	Financial year ended 30 April 2015		Nine months ended 31 January 2016	
	Before the Disposal	After the Disposal	Before the Disposal	After the Disposal
NTA (US\$)	16,532,163 ⁽¹⁾	11,610,758 ⁽¹⁾	6,829,308 ⁽²⁾	1,907,903 ⁽²⁾
Number of Shares	170,804,269	170,804,269	170,804,269	170,804,269
NTA per share (US cents)	0.10	0.07	0.04	0.01

(1) Based on the NTA of the Group for the financial year ended 30 April 2015.

(2) Based on the NTA of the Group for the nine months ended 31 January 2016.

Loss Per Share (LPS)

The effect of the Disposal on the LPS of the Group for financial year ended 30 April 2015 and nine months ended 31 January 2016, assuming that the Disposal had been effected at the beginning of the relevant financial period, is as follows:

	Financial year ended 30 April 2015		Nine months ended 31 January 2016	
	Before the Disposal	After the Disposal	Before the Disposal	After the Disposal
Loss before tax and minority interests (US\$)	24,615,792	20,526,941	12,059,388	7,970,537
Number of Shares	170,804,269	170,804,269	170,804,269	170,804,269
Loss per Share (US cents)	0.14	0.12	0.07	0.05

All other information referred to in the Announcement remains the same.

A copy of the Final SPA is available for inspection during normal business hours at the Company's registered office at 24 Raffles Place #10-05 Clifford Centre Singapore 048621 and at the principal office of the Company in Hong Kong at Rooms 1102-04, 11th Floor, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Hong Kong, for three months from the date of this announcement.

BY ORDER OF THE BOARD

Chow Kin Wa
Executive Director and Chief Executive Officer

10 May 2016