

Financial Statement and Dividend Announcement For Six Months Ended 31 July 2014

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF SIX MONTHS RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors of Neo Group Limited is pleased to announce the consolidated results of the Group for the 6 months ended 31 July 2014. The figures presented below have not been audited.

	Group		Increase / (Decrease)
	6M2015 ¹ (Unaudited) \$'000	6M2014 ² (Unaudited) \$'000	
Revenue	28,001	23,111	21.2%
Other items of income			
Interest income	8	12	(33.3%)
Other income	1,122	374	200.0%
Items of expense			
Purchases and consumables used	(8,338)	(6,962)	19.8%
Changes in inventories	519	424	22.4%
Delivery expenses	(977)	(750)	30.3%
Employee benefits expense	(9,785)	(7,394)	32.3%
Depreciation and amortisation expenses	(1,407)	(856)	64.4%
Advertising expenses	(1,149)	(754)	52.4%
Operating lease expenses	(2,009)	(1,407)	42.8%
Utilities	(667)	(620)	7.6%
Other expenses	(2,390)	(1,846)	29.5%
Finance costs	(133)	(92)	44.6%
Profit before income tax	2,795	3,240	(13.7%)
Income tax expense	(279)	(473)	(41.0%)
Profit for the financial period, representing total comprehensive income for the financial period	2,516	2,767	(9.1%)
Profit and total comprehensive income attributable to owners	2,516	2,767	(9.1%)

Note:

1. "6M2015" denotes financial period ended 31 July 2014.

2. "6M2014" denotes financial period ended 31 July 2013.

1(a)(ii) Notes to Statement of Comprehensive Income (for the group)

Profit before income tax is arrived at after crediting / (charging) the following:

	Group		Increase / (Decrease)
	6M2015	6M2014	
	(Unaudited)	(Unaudited)	
	\$'000	\$'000	
Advertising sponsorship income	-	3	N.M.
Allowance for impairment loss on third parties trade receivables written back	13	-	N.M.
Dividend income	23	-	N.M.
Gain on disposals of property, plant and equipment	456	1	N.M.
Government grants	401	161	149.1%
Interest income	8	12	(33.3%)
Overprovision of current income tax in prior financial years	-	21	N.M.
Rental income	84	85	(1.2%)
Bad third parties trade receivables written off	(1)	(1)	0%
Depreciation property, plant and equipment	(1,369)	(835)	64.0%
Depreciation of investment properties	(21)	(21)	0%
Amortisation of intangible assets	(17)	-	N.M.
Finance costs	(133)	(92)	44.6%
Plant and equipment written off	(24)	(21)	14.3%.
Foreign exchange loss, net	(1)	-	N.M.

“N.M.” denotes Not Meaningful

1(b)(i) A Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Group		Company	
	As at		As at	
	31/07/2014	31/01/2014	31/07/2014	31/01/2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	29,495	27,954	3	4
Investment properties	1,480	1,501	-	-
Intangible assets	369	244	-	-
Investments in subsidiaries	-	-	5,786	5,686
Available-for-sale financial asset	693	693	693	693
	<u>32,037</u>	<u>30,392</u>	<u>6,482</u>	<u>6,383</u>
Current assets				
Inventories	1,965	1,130	-	-
Trade and other receivables	4,861	3,086	475	3,192
Prepayments	564	513	35	22
Cash and cash equivalents	9,223	8,460	1,758	1,415
	<u>16,613</u>	<u>13,189</u>	<u>2,268</u>	<u>4,629</u>
Less:				
Current liabilities				
Trade and other payables	7,134	4,921	2,002	2,231
Provisions	281	206	-	-
Bank borrowings ⁽¹⁾	4,629	1,269	-	-
Finance lease payables ⁽²⁾	75	112	-	-
Current income tax payable	607	1,491	23	23
	<u>12,726</u>	<u>7,999</u>	<u>2,025</u>	<u>2,254</u>
Net current assets	<u>3,887</u>	<u>5,190</u>	<u>243</u>	<u>2,375</u>
Less:				
Non-current liabilities				
Bank borrowings ⁽¹⁾	14,888	14,888	-	-
Deferred tax liabilities	209	209	-	-
	<u>15,097</u>	<u>15,097</u>	<u>-</u>	<u>-</u>
Net assets	<u>20,827</u>	<u>20,485</u>	<u>6,725</u>	<u>8,758</u>
Capital and reserves				
Share capital	6,399	6,399	6,399	6,399
Merger reserves	(326)	(326)	-	-
Fair value adjustment account	(207)	(207)	(207)	(207)
Retained earnings	14,961	14,619	533	2,566
Total equity attributable to owners of the parent	<u>20,827</u>	<u>20,485</u>	<u>6,725</u>	<u>8,758</u>

(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/07/2014 (Unaudited) \$'000		As at 31/01/2014 (Audited) \$'000	
Secured ^{(1), (2)}	Unsecured	Secured	Unsecured
4,704	-	1,381	-

Amount repayable after one year

As at 31/07/2014 (Unaudited) \$'000		As at 31/01/2014 (Audited) \$'000	
Secured ⁽¹⁾	Unsecured	Secured	Unsecured
14,888	-	14,888	-

Details of any collaterals:

As at 31 July 2014, the Group's borrowings comprising bank borrowings and finance lease payables were secured as follows:

1. Bank borrowings:

Bank borrowings of \$4.63 million repayable within one year or less and \$14.89 million repayable after one year are both secured by the legal mortgage on investment properties at 10E Enterprise Road with carrying amount of \$0.81 million, 8A Admiralty Street #06-01 and #06-02 with carrying amount of \$1.08 million, 1,3,5,7,9 Enterprise Road with a carrying amount of \$12.00 million and on land held for development at 30B Quality Road with a carrying amount of \$8.86 million.

2. Finance lease payables

The Group's obligations under finance leases of \$0.07 million are secured by the lessor's title to the leased assets, which have a net book value of \$0.32 million as at the end of the current financial period.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement Of Cash Flows	6M2015	6M2014
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Operating activities		
Profit before income tax	2,795	3,240
Adjustments for:		
Allowance for impairment loss on third parties trade receivables written back	(13)	-
Depreciation and amortisation expenses	1,407	856
Dividend income	(23)	-
Bad third parties trade receivables written off	1	1
Gain on disposals of property, plant and equipment	(456)	(1)
Interest expense	133	92
Interest income	(8)	(12)
Plant and equipment written off	24	21
Operating cash flows before working capital changes	<u>3,860</u>	<u>4,197</u>
Working capital changes:		
Inventories	(835)	(417)
Trade and other receivables	(863)	(420)
Prepayments	(51)	(1,571)
Trade and other payables	2,213	(402)
Cash generated from operations	<u>4,324</u>	<u>1,387</u>
Income tax (paid)/refund	<u>(1,163)</u>	<u>6</u>
Net cash from operating activities	<u>3,161</u>	<u>1,393</u>
Investing activities		
Purchase of available-for –sale financial asset	-	(900)
Purchase of property, plant and equipment	(3,153)	(536)
Purchase of intangible assets	(142)	-
Proceeds from disposals of property, plant and equipment	-	2
Interest received	8	12
Dividend received	23	-
Net cash used in investing activities	<u>(3,264)</u>	<u>(1,422)</u>
Financing activities		
Drawdown of bank borrowings	4,000	-
Repayment of bank borrowings	(640)	(398)
Repayment of finance lease payables	(187)	(159)
Dividends paid	(2,174)	(1,454)
Interest paid	(133)	(92)
Net cash from/(used in) financing activities	<u>866</u>	<u>(2,103)</u>

Consolidated Statement Of Cash Flows

	6M2015 (Unaudited) \$'000	6M2014 (Unaudited) \$'000
Net change in cash and cash equivalents	763	(2,132)
Cash and cash equivalents at beginning of financial period	8,409	11,682
Cash and cash equivalents at end of financial period	9,172	9,550
Cash and cash equivalents comprise:		
Cash on hand and at bank	9,172	9,550
Fixed deposits	51	51
Cash and cash equivalents as per statements of financial position	9,223	9,601
Less: Fixed deposit pledged with bank	(51)	(51)
Cash and cash equivalents as per consolidated statement of cash flows	9,172	9,550

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Merger reserves \$'000	Fair value adjustment account \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
6M2015					
Balance at 1 February 2014	6,399	(326)	(207)	14,619	20,485
Profit for the financial period	-	-	-	2,516	2,516
Total comprehensive income for the financial period	-	-	-	2,516	2,516
Distribution to owners:					
Dividends	-	-	-	(2,174)	(2,174)
Total transactions with owners	-	-	-	(2,174)	(2,174)
Balance at 31 July 2014	6,399	(326)	(207)	14,961	20,827
6M2014					
Balance at 1 February 2013	6,399	(326)	-	11,345	17,418
Profit for the financial period	-	-	-	2,767	2,767
Total comprehensive income for the financial period	-	-	-	2,767	2,767
Distribution to owners:					
Dividends	-	-	-	(1,454)	(1,454)
Total transactions with owners	-	-	-	(1,454)	(1,454)
Balance at 31 July 2013	6,399	(326)	-	12,658	18,731

Statement of Changes in Equity

Company	Share capital \$'000	Fair value adjustment account \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
6M2015				
Balance at 1 February 2014	6,399	(207)	2,566	8,758
Profit for the financial period	-	-	141	141
Total comprehensive income for the financial period	-	-	141	141
Distribution to owners:				
Dividends	-	-	(2,174)	(2,174)
Total transactions with owners	-	-	(2,174)	(2,174)
Balance at 31 July 2014	6,399	(207)	533	6,725
6M2014				
Balance at 1 February 2013	6,399	-	1,601	8,000
Loss for the financial period	-	-	(99)	(99)
Total comprehensive income for the financial period	-	-	(99)	(99)
Distribution to owners:				
Dividends	-	-	(1,454)	(1,454)
Total transactions with owners	-	-	(1,454)	(1,454)
Balance at 31 July 2013	6,399	-	48	6,447

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the share capital of the Company since the end of previous period reported on and there were no outstanding convertibles or treasury shares held by the Company as at 31 July 2014 and 31 July 2013.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current period and as at the end of the immediately preceding year.

	Company	
	As at	
	31/07/2014	31/01/2014
Total number of issued shares excluding treasury shares	144,000,000	144,000,000

There were no treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

Not Applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not Applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial results for the current period have been prepared using the same accounting policies and methods of computation as presented in the Group's most recently audited financial statement for the financial year ended 31 January 2014.

5. If there were any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 February 2014. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group.

6. Earnings per ordinary share of the company for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per share ("EPS")	Group As at	
	31/07/2014 (Unaudited)	31/07/2013 (Unaudited)
Profit attributable to owners of the parent (\$'000)	2,516	2,767
Weighted average number of ordinary shares ⁽¹⁾	144,000,000	144,000,000
Basic and diluted EPS based on weighted average number of ordinary shares (cents) ^{(1) (2)}	1.75	1.92

Notes:

- (1) The calculation for the basic and diluted EPS for the respective financial years is based on the weighted average number of ordinary shares in issue during the period.
- (2) The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments during the period.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital excluding treasury shares of the issuer at the end of the

(a) current financial period reported on; and

(b) immediately preceding financial year.

Net asset value ("NAV")	Group As at		Company As at	
	31/07/2014 (Unaudited)	31/01/2014 (Audited)	31/07/2014 (Unaudited)	31/01/2014 (Audited)
NAV (\$'000) ⁽¹⁾	20,458	20,241	6,725	8,758
Number of ordinary shares	144,000,000	144,000,000	144,000,000	144,000,000
NAV per ordinary share (cents)	14.2	14.1	4.7	6.1

Note:

1. The NAV per ordinary share is computed by dividing the total asset value excluding intangible assets of the company by the number of outstanding shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

Review of the performance

8(a) Consolidated Statement of Comprehensive Income

Revenue

For the financial period ended 31 July 2014 ("6M2015"), the Group recorded \$28.00 million in revenue, as compared to \$23.11 million in the previous corresponding financial period ("6M2014"). The increase in the

Group's revenue by approximately \$4.89 million or 21.2% was mainly attributable to the growth in the Food Catering Business by \$2.98 million or 17.3%. This resulted from an increase in the social catering events during the period, as well as growth in market share for corporate and government sectors.

The Group's Food Retail Business also did well in 6M2015, recording a 29.9% increase in revenue to \$1.74 million. This was mainly driven by a growth in the delivery sales and contributions from the new retail outlets. There was an increase of \$0.06 million or 9.6% in delivery sales in 6M2015 as compared to 6M2014.

Other income

Other income in 6M2015 was \$0.75 million or 200.0% higher than 6M2014 mainly due to gain on disposal of leasehold property and government grants.

Purchases and consumables used

Purchases and consumables used increased by approximately \$1.38 million or 19.8% from \$6.96 million in 6M2014 to \$8.34 million in 6M2015. The increase was primarily in line with the increase in overall sales revenue. While revenue increased by 21.2% in 6M2015, the purchases and consumables increased at a lower rate of 19.8% as compared to 6M2014 as there was better cost control in the food catering and retail businesses.

Delivery expenses

Delivery expenses increased by \$0.23 million or 30.3% to \$0.98 million in 6M2015 as compared to \$0.75 million in 6M2014. This was mainly due to hire of both service staff and sub-contract drivers to support the increase in sales.

Employee benefits expense

Employee benefits expense increased by approximately \$2.39 million or 32.3% to \$9.79 million in 6M2015 as compared to \$7.39 million in 6M2014. This was due to an increase in headcount for Operation and Sales Department.

Advertising expenses

Advertising expenses increased by \$0.40 million or 52.4% from \$0.75 million in 6M2014 to \$1.15 million in 6M2015 primarily due to brochure distribution and media advertising.

Operating lease expenses

Operating lease expenses increased by \$0.60 million or 42.8% from \$1.41 million in 6M2014 to \$2.01 million in 6M2015. This was mainly due to an increase in new retail outlets and land rent paid for 30B Quality Road and Enterprise Road.

Utilities

Utilities increased marginally by approximately \$0.05 million or 7.6% from \$0.62 million in 6M2014 to \$0.67 million in 6M2015. This was due to an increase in new retail outlets.

Other expenses and finance costs

Other expenses increased by \$0.54 million or 29.5% from \$1.85 million in 6M2014 to \$2.39 million in 6M2015. This was largely attributed to the increase in expenses like upkeep of motor vehicles, insurance and property tax.

Finance costs increased by approximately \$0.04 million or 44.6% from \$0.09 million in 6M2014 to \$0.13 million in 6M2015. This was mainly due to the mortgage loan on leasehold properties and bank borrowings.

Profit before income tax

The Group's profit before income tax in 6M2015 was \$2.80 million which was lower by \$0.44 million or 13.7% as compared to the \$3.24 million of 6M2014. The decrease was mainly due to a significant increase in employee benefits expense, depreciation and amortisation expenses, operating lease expenses and other

expenses such as upkeep of motor vehicles and printing and stationery expenses.

Profit after income tax

The Group posted a profit after income tax of \$2.52 million in 6M2015 as compared to a profit after income tax of \$2.77 million in 6M2014. The decrease of \$0.25 million was mainly due to the increase in the employee benefits expense, depreciation and amortisation expenses, operating lease expenses and other expenses.

8(b-1) Consolidated Statement of Financial Position

Non-current assets

The Group's non-current assets increased by \$1.65 million from \$30.39 million as at 31 January 2014 to \$32.04 million as at 31 July 2014. This was mainly attributable to capital expenditure of \$3.52 million on the acquisition of plant and equipment and intangible assets. The increase was partially offset by depreciation and amortisation expenses of \$1.41 million and the decrease of \$0.44 million in carrying amount of leasehold property disposed and S\$0.02 plant and equipment written off.

Current assets

The Group's current assets increased by \$3.42 million from \$13.19 million as at 31 January 2014 to \$16.61 million as at 31 July 2014. This was mainly due to an increase in inventories by approximately \$0.84 million due to a higher inventory level held in the Food and Catering Supplies Business. An increase in trade and other receivables of approximately \$1.78 million was mainly due to the balance of receivable from sales of leasehold property, deposit for renovation and increase in rental deposit for new retail outlets.

Current liabilities

The Group's current liabilities increased by \$4.73 million from \$8.00 million as at 31 January 2014 to \$12.73 million as at 31 July 2014. This was mainly attributed to an increase of \$2.21 million in trade and other payables as a result of higher volume of purchases and the increase in short-term bank borrowings of \$4.00 million for working capital. The increase was partially offset by repayment of bank borrowings of \$0.64 million. A decrease in current finance lease payable of \$0.04 million was due to a full payment of finance lease and a decrease in current income tax payable of \$0.88 million was due to tax payment made during the period.

Non-current liabilities

The Group's non-current liabilities remain the same as at 31 January 2014 and 31 July 2014 at \$15.10 million. The non-current bank borrowings for the period remained relatively unchanged.

The Group has a positive working capital of \$3.89 million as at 31 July 2014 as compared to \$5.19 million as at 31 January 2014.

8(b-2) Consolidated Statement of Cash Flows

Net cash from operating activities amounted to \$3.16 million in 6M2015. This resulted mainly from operating cash flow before movement in working capital of \$3.86 million, an increase in net working capital of \$0.46 million and income tax paid of \$1.16 million.

The increase in net working capital comprised mainly of an increase in inventories of approximately \$0.84 million, an increase in trade and other receivables of approximately \$0.86 million, an increase in prepayments of approximately \$0.05 million, an increase in trade and other payables of approximately \$2.21 million and an increase in provision of approximately \$0.08 million.

Net cash used in investing activities amounted to \$3.26 million in 6M2015. This was mainly attributed to the payment of \$3.30 million on acquisition of plant and equipment and intangible assets.

Net cash from financing activities amounted to \$0.87 million in 6M2015. This was mainly attributed to the drawdown of bank borrowings of \$4.00 million, repayment of bank borrowings of approximately \$0.64 million, repayment of finance lease payables of \$0.19 million, dividends and interest payment of \$2.17 million and \$0.13 million respectively.

Consequent to the above factors, the net increase in cash and cash equivalents during 6M2015 was \$0.76 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to our shareholders, any variance between it and the actual results.

The financial performance of the Group for 6M2015 is generally in line with what was disclosed in the FY2014 result announcement ended 31 January 2014.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The outlook of the industry in which it operates is expected to remain positive. However, the Group expects the Food and Beverage industry to remain challenging including rising costs due to higher manpower cost, raw material cost and outlet rents. The Group will continue to execute our marketing and operation expansion strategies. We will also aim to achieve cost advantages from the economies of scale in consolidating our operation cost better. We believe these will grow our overall competitiveness and gain a stronger foothold in our overall businesses.

With the expansion of the operation line situated at Enterprise Road, the Group targets to grow its revenue in Food Catering Business with higher capacity. As for its Food Retail Business, the Group will be focusing on expanding by an increase in the number of food retail outlets to cover Island-wide to better capture our delivery business. As for the Food and Catering Supplies Business, the Group will continue to centralised its procurement to better manage the qualities and costs.

Barring unforeseen circumstances, the Group expects to be profitable for the rest of the FY2015.

The Company has changed its financial year end from 31 January to 31 March (please refer to the announcement reference no. SG140516OTHR8KP9 dated 16 May 2014). The financial period for FY2015 will now cover a 14 month period from 01 Feb 2014 to 31 March 2015.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

(b) (i) Amount per share

1.05 Singapore cents per share.

(ii) Corresponding Period of the Immediately Preceding Financial Year

1.16 Singapore cents per share.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The dividend is tax exempt.

(d) The date the dividend is payable

To be announced at a later date.

(e) Books closure date

Notice will be given at a later date on the closure of the Share Transfer Books and Register of Members of the Company to determine members' entitlement to the dividend.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. Interested person transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	\$'000	\$'000
Neo Kah Kiat		
(i) GUI Solutions Pte Ltd		
- Cost of goods and services purchased	108	-
- Utilities income	3	
(ii) Office premise lease expense	42	-
Neo Kah Kiat and Liew Oi Peng		
(i) Office premise lease expense	147	-
(ii) Twinkle Investment Pte Ltd		
- Office premise lease expense	42	-
- Rental of yacht	120	-

Note:

The Group has not obtained any general mandate from shareholders for interested person transactions pursuant to Rule 920 of the SGX-ST Listing Manual.

14. Update on use of Initial Public Offer ("IPO") proceeds

Pursuant to the IPO in July 2012, the Company received total proceeds of \$6.60 million and as at the date of this announcement, the IPO proceeds remain unchanged as follows:

Intended Usage in accordance with the Offer Document	Allocation (\$'000)	Amount utilized (\$'000)	Amount unutilized (\$'000)
Expand and develop our Food Catering Business and Food Retail Business (which may include acquisitions, joint ventures and / or strategic alliances)	5,000	(3,700)	1,300
IPO expenses	1,600	(1,600)	-
Total	6,600	(5,300)	1,300

15. Requirement under Rule 705(5) of the Listing Manual

We, Neo Kah Kiat and Liew Oi Peng, being two Directors of Neo Group Limited (the “Company”), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 31 July 2014 to be false or misleading in any material aspect.

Neo Kah Kiat
Founder, Chairman and CEO

Liew Oi Peng
Executive Director

BY ORDER OF THE BOARD

Neo Kah Kiat
10 September 2014

This announcement has been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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, Catalyst. The contact particulars are 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623, telephone: +65 6337 5115.