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## PROGRAMME

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**FY2014**

**SECOND ANNUAL GENERAL MEETING**

**Time:** 11.30am - 1.30pm

**Venue:** The Star Performing Arts Centre, The Star Gallery@Level 3

**11.30am**

Annual General Meeting Commences

Opening Welcome by Founder, Chairman and CEO - Mr Neo Kah Kiat

Presentation Overview

Annual General Meeting Proceedings

Polling Proceedings

**12.30pm**

Lunch Break

**1.15pm**

Polling Results

**1.30pm**

End of FY2014 Annual General Meeting

# About Us



## *Our Business*

Neo Group Limited is a leading food catering group in Singapore. Established since 1992, our Group possesses an award-winning track record and is one of the most recognised brand names in Singapore. In a report dated April 2012, Neo Group was ranked by Euromonitor<sup>1</sup> as the number one events caterer in Singapore.

Our Group is engaged in the Food Catering, Food Retail and Food and Catering Supplies businesses and combines synergistic qualities to bring to customers top value by delivering fresh and tasty meals on time.

<sup>1</sup> Based on a report entitled "Events Catering Services Singapore" dated April 2012 prepared by Euromonitor International Limited. "Events catering" means food catering services provided for social or corporate events only.



Under the **Food Catering business**, our Group operates four brands namely, Neo Garden Catering, Orange Clove Catering, Deli Hub Catering and Best Catering. All four brands supply buffets spanning a wide variety of styles and prices, to suit a diverse range of occasions, from private to corporate to community functions. In addition, Best Catering offers daily meal delivery services to customers.

For the **Food Retail business**, our Group operates a chain of 24 umisushi outlets across Singapore and 1 licensed outlet in Jakarta, Indonesia. It serves a variety of high-quality Japanese food at affordable prices at convenient locations.



To support the logistic needs of our Food Catering and Food Retail businesses, Neo Group's **Food and Catering Supplies business** sources for ingredients and materials directly from manufacturers and distributors to ensure that the kitchens receive supplies most economically and in a timely manner. It also supplies ingredients and Japanese food products to third parties.

# Milestones



1992

Established Neo Garden Restaurant, a household caterer serving restaurant-quality buffet catering and home delivery meals from a shared kitchen in Joo Chiat



2004

- Set up office and central kitchen at 6A Wan Lee Road
- Launch of Deli Hub Catering, a Halal-certified caterer providing value-for-money buffets for inter-racial celebrations

2007

- Opened the first umisushi food retail outlet at Eunos MRT station

2008



- Incorporation of Neo Garden Catering and rebranding of Neo Garden Restaurant to Neo Garden Catering
- Established Orange Clove Catering, a Halal-certified caterer that serves International cuisine with an Asian touch
- Established central kitchen at Enterprise One to support Orange Clove's operations
- Set up H-Cube to process/supply Japanese food products
- Set up central kitchen at Shimei East Kitchen to support umisushi operations

2010

- Rebranding of Niwa Sushi to umisushi
- Neo Garden Catering named No. 1 Caterer in Singapore in 2010 based on research by AC Nielsen
- Introduction of the Neo Privilege Membership Scheme
- Founder, Chairman and CEO Mr. Neo Kah Kiat won the Spirit of Enterprise Award Honours 2010
- Established central kitchen at #01-12 Jalan Tepong to support umisushi
- Set up NKK Import & Export as a supply arm for the Group

## 2011



- Neo Garden Catering was named No. 1 Caterer in Singapore for two consecutive years by AC Nielsen
- Neo Group emerged as one of the recipients in prestigious Singapore SME 1000 Company 2011
- Founder, Chairman and CEO Mr. Neo Kah Kiat was awarded 2011 Successful Entrepreneur (Platinum Category)
- Won Excellence Service Awards 2011
- Clinched SME1 Asia Awards – Distinguished Award 2011 (Top 5)
- Neo Garden Catering is awarded double honors at Singapore Prestige Brand Award (SPBA) 2011 for Most Established Brand and Most Popular Established Brand

## 2012

- Received HACCP Certificate – Food Management Safety System
- Neo Group was listed on the SGX-ST Catalist on 11 July 2012
- Once again, Neo Garden clinched the SPBA Award 2012 as the Overall Winner for Established Brand and Most Popular Established Brand

## 2013

- Neo Garden made it to Singapore Book of Records
- Neo Garden Catering bagged the Trusted Brand award by Reader's Digest 2013 (Platinum Winner)
- Orange Clove Catering clinched Singapore Prestige Brand Award (Winner, SPBA-Promising Brands), Promising Brand SME 500 2013 and SME One Asia Awards 2013 Singapore (Notable Award)
- Appointment of Ms. Rachel Teo as the Chief Operating Officer on 11 July 2013
- Neo Group Limited went regional with first umisushi outlet in Jakarta, Indonesia
- Neo Group completed the acquisition of 5 units of properties at Enterprise Road on 13 November 2013
- Corporate office headquarters was relocated to 1 Enterprise Road in November 2013

## 2014

- Neo Group smashed its Singapore Book of Records Entry with highest number of events catered for on the first day of Lunar New Year (31 January 2014)
- Neo Garden Catering supports Singapore Table Tennis with \$300,000 Cash Sponsorship for 3 years on 4 March 2014
- Neo Group launched new "Best Catering" brand under Food Catering Business Segment in March 2014
- Neo Group opened its 24th umisushi outlet and counting
- umisushi introduced new Japanese cuisine concepts such as issho izakaya and NANAMI UDON
- Orange Clove Catering was appointed as one of the official caterers by Singapore Expo and Star Performing Arts Centre
- Neo Group established a wholly owned subsidiary, I Do Flowers & Gifts Pte Ltd, in May 2014
- Neo Group will be completing most of its central kitchen at 1 Enterprise Road in the second quarter of 2014, raising capacity by three to four times.



# Awards



AWARDS



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 13  
SPBA - Hall of Fame



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 13  
Overall Winner,  
SPBA - Established Brands



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 13  
Winner, SPBA - Established Brands



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 13  
Winner, SPBA - Promising Brands



SINGAPORE  
BOOK OF RECORDS



PROMISING  
SME 500  
2013



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 12  
Overall Winner,  
SPBA - Established Brands



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 12  
SPBA - Most Popular Established Brand



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 12  
Winner, SPBA - Established Brands



The  
Entrepreneur  
of the year  
A ROTARY-ASME AWARD  
Winner, EYA 2012



TÜV  
SÜD  
HACCP



EXCELLENT  
SERVICE  
AWARD  
2011



SINGAPORE 1000  
SINGAPORE SME 1000  
INTERNATIONAL 100



Successful  
2011  
ENTREPRENEUR



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 11  
SPBA - Most Popular Established Brand



AN ASME-IJANHE ZAORBAO AWARD  
新加坡金字品牌奖  
Singapore  
Prestige  
Brand Award 11  
Winner, SPBA - Established Brands



SME™  
ONE ASIA AWARDS  
2013 SINGAPORE



SME1  
ASIA AWARDS  
2011



Spirit of Enterprise  
Honor & Inspire



CHOSEN BY CONSUMERS  
Digest  
TRUSTED  
BRAND  
2014  
PLATINUM  
15TH ANNIVERSARY  
ASIA



Singapore Book of Records  
“Largest Events Caterer” and “Highest Number of Events Catered by a Company in One Day”

Reader's Digest Trusted Brand Award 2014



Singapore Prestige Brand Award – Hall of Fame (SPBA-Established Brands)

Singapore Prestige Brand Award (Overall Winner, SPBA-Established Brands)

Singapore Prestige Brand Award (Winner, SPBA-Promising Brands)

Reader's Digest Trusted Brand Award 2013

Singapore Book of Records  
“Largest Events Caterer” and “Highest Number of Events Catered by a Company in One Day”

Promising SME 500 2013

SME One Asia Awards 2013 Singapore (Notable Award)



Singapore Prestige Brand Award (Overall Winner, SPBA-Established Brands)

Singapore Prestige Brand Award (Most Popular Established Brand)

Singapore Prestige Brand Award (Established Brands)

Entrepreneur of The Year Award – EYA 2012 Top Entrepreneurs

Entrepreneur of The Year Award – EYA for Enterprise 2012

HACCP Certificate – Food Safety Management System



Excellent Service Award 2011

Singapore SME 1000 Company 2011

2011 Successful Entrepreneur (Platinum Category)

Singapore Prestige Brand Award (Most Popular Established Brand)

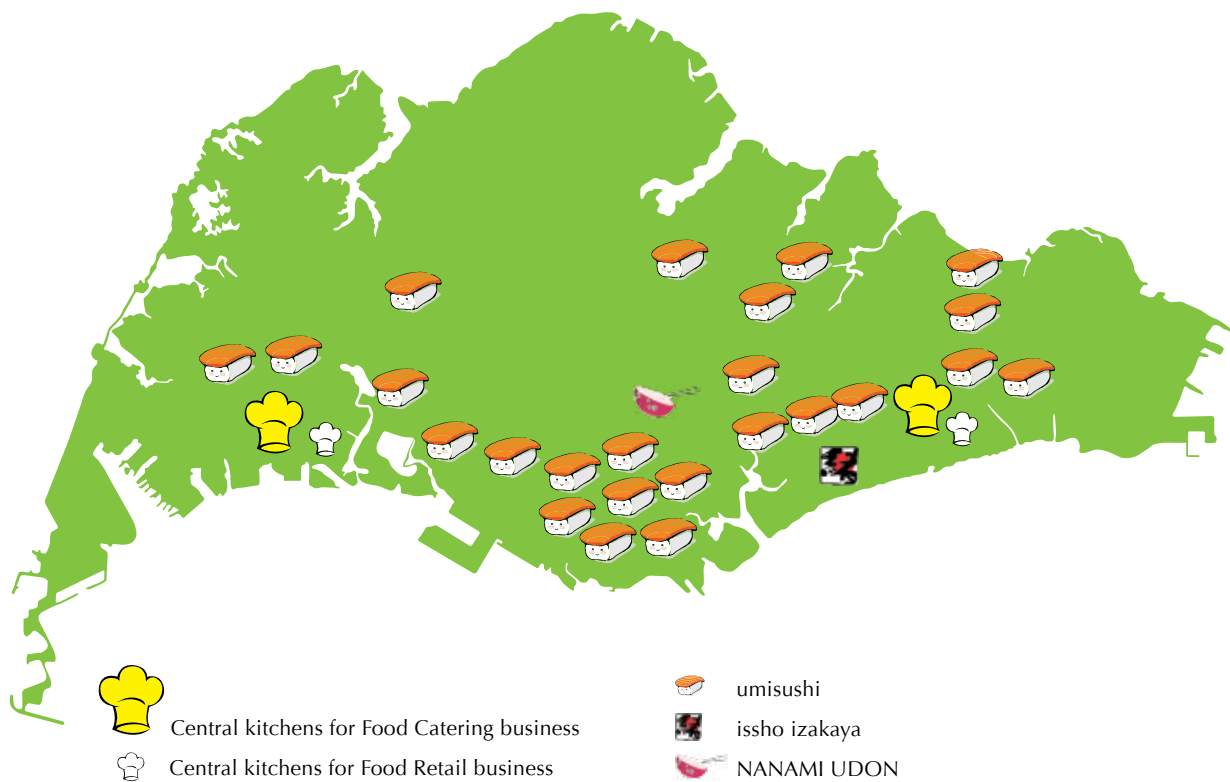
Singapore Prestige Brand Award (Established Brands)

SME1 Asia Awards – Distinguished Award 2011 (Top 5)



Spirit of Enterprise Award 2010 Honorees

# Growth Strategies



## *Strengthening with New Brand Names*

- Stay ahead of the curve through the creation of various brands to appeal to different market segments;
- Cater to a fuller market spectrum by expanding social catering and corporate client segments;
- For Food Retail business, the Group is on track to achieve its target of 30 retail outlets by 2016, either directly or through franchises:
  - Following the maiden entry of its first “umisushi” licensed outlet in Jakarta, Indonesia, the Group will look for opportunities to open additional outlets overseas in the future.

## *Greater Depth with New Concepts for Each Brand*

- To remain firmly attuned to dynamic consumer tastes and preferences by developing new F&B concepts and exciting menus;
- Introduce higher value menus within each brand, to capture the market segments served.



### *Increasing Capacity and Efficiency*

- When operational, the Group expects the centralised kitchen to further increase efficiencies, ramping up daily catering capacity by three to four times:
  - Plans to increase kitchen capacity to cater to more guests per day, from 10,000 to 15,000 guests/day to 15,000 to 20,000 guests/day.

### *Expand Sales Team and Delivery Fleet*

- To meet potential demand given good industry dynamics and increased capacity.

### *Explore M & A and Organic Growth*

- Look for further opportunities to grow its business in the Southeast Asian region;
- Work in close partnership with other reputable players in this vibrant industry.



# Investment Merits



Ranked as the  
**NUMBER ONE**  
events caterer  
in Singapore by  
Euromonitor

## *Established Brand Names; Comprehensive range of Quality Food and Catering Services*

- Under the Group's Food Catering business, a comprehensive range of quality food and buffets are served to a diverse clientele base through its Neo Garden Catering, Orange Clove Catering, Deli Hub Catering and Best Catering brands;
- Ranked as the Number One events caterer in Singapore with a 9% share of the S\$306.6 million events catering market<sup>1</sup> in 2012.
- Successful Food Retail business, with 24 umisushi food retail outlets islandwide and 1 licensed outlet in Jakarta as at 31 January 2014, offering Japanese convenience foods as well as delivery services.

<sup>1</sup> Based on a report entitled "Events Catering Services Singapore" dated April 2012 prepared by Euromonitor International Limited. "Events catering" means food catering services provided for social or corporate events only.

### *Central Kitchens and Customised Information System for Greater Efficiencies*

- To support these operations, the Group has central kitchens with an aggregate built-in floor area of over 25,000 square feet in four locations and a fleet of 113 delivery vehicles as at 31 January 2014;
- In the second quarter of 2014, the Group will be completing most of its centralised kitchen at Enterprise Road:
  - Increased mechanisation and modern food preparation techniques for greater productivity and efficiency as well as consistency in food quality and hygiene;
  - To ramp up daily catering capacity by three to four times;
- Production and operation processes including procurement and logistics, sales and production, are integrated, and real-time data is transmitted to relevant departments.



### *Competitive Supply Chain Structure*

- The Group's Food and Catering Supplies business – NKK and H-Cube – source for ingredients and materials directly from manufacturers and distributors:
  - Better control over supply of quality food products and better pricing through bulk purchases;
- NKK and H-Cube also supply ingredients to third parties, with H-Cube focusing on Japanese food products.

### *Experienced and Dedicated Management Team*

- Founder, Chairman and CEO, Mr Neo Kah Kiat, has over 20 years of experience in the F&B industry;
- Assisted by a senior management team, majority of whom have over 10 years of experience in their respective fields.

### *Good Industry Prospects*

- Positive industry trends, buoyed by favourable externalities:
  - Sunrise industry, coupled with recession-resistant and defensive nature;
  - Increasing propensity to spend on occasions and events;
  - Expected completion of more residential properties in 2014 and beyond, potentially translating to more occasions for celebrations.

# *Stock Information*

Please refer to the latest stock information enclosed

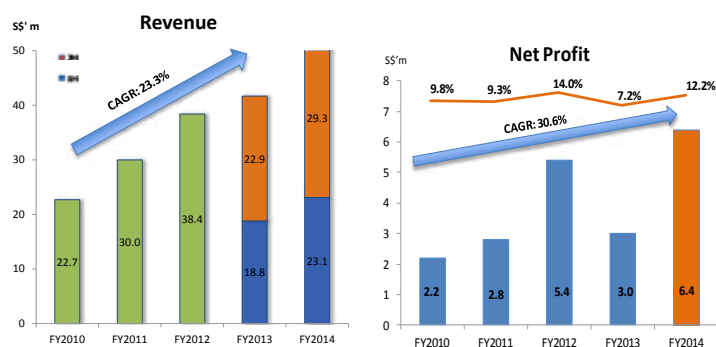


## Stock Information\*

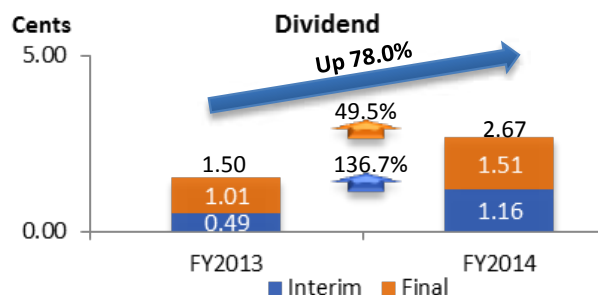
Listing	Catalist, SGX-ST
Stock Codes	NGL SP (Bloomberg) NEOG.SI (Reuters)
Share Price	S\$0.995
Share Price (IPO)	S\$0.30
52-week range	S\$1.010 (H); S\$0.345 (L)
Shares Outstanding	144,000,000
Market Capitalisation	S\$143.3 million
P/E	22.4 times

\*Bloomberg as at May 28, 2014

## Record Financial Performance



## Record Dividend



## Key Ratios

%	FY2014	FY2013	Change
Gearing ratio	38.3	1.1	NM
ROE	31.2	17.3	80.3
ROA	14.7	9.8	50.0

## Per Share Information

S/cents	FY2014	FY2013	% Change
Earnings Per Share	4.44	2.87	54.7
NAV Per Share	14.2	12.1	17.4
Dividend	2.67	1.50	78.0

Business	Revenue Contribution*	Brands	Diversified Food And Beverage Services
Food Catering	S\$39.0 million (74.5%)	<p>NEO GARDEN CATERING We deliver the restaurant to you</p>	Neo Garden Catering is the Group's flagship brand and caters for a wide variety of occasions and tastes. Offers the capability to cater for up to 500 people for last-minute orders. Currently boasts a loyal base of over 25,000 loyal customers.
		<p>ORANGE CLOVE</p>	Established in 2008, Orange Clove Catering is a leading caterer of restaurant-quality international cuisines. Being Halal-certified, Orange Clove delights customers with cross-cultural cuisine, infused with an Asian flair.
		<p>Delihub catering</p>	Deli Hub Catering was established in 2004 and specialises in Halal Asian buffets, high-tea and barbecue feasts at affordable prices. Catering to the mass market consumer segment, Deli Hub is also a choice caterer for corporate functions
		<p>Best CATERING</p>	Since February 2014, Best Catering offers buffets and daily Tingkat services at affordable prices. As a economical caterer, Best Catering offers delicious meals at highly-reasonable prices.
Food Retail	S\$12.7 million (24.2%)	<p>umisushi</p>	Having opened its first outlet in 2007, umisushi has seen its presence in the region grow over the years to 24 outlets in Singapore and 1 licensed outlet in Jakarta, Indonesia to date. umisushi prepares and serves some of the freshest sushi in town, at affordable prices.
Food and Catering Supplies	S\$0.7 million (1.3%)	<p>NKK</p>	NKK Import & Export Trading and H-Cube support the Group's Food Catering and Retail businesses in sourcing and supplying ingredients and buffet equipment at bulk, thereby achieving economies of scale. NKK and H-Cube also supply ingredients to third parties with H-Cube specialising in Japanese food produces.
		<p>H-CUBE Food Per Ltd</p>	

\*As at 31 January 2014

## Key Investment Highlights

- Largest catering group with leading market share\* and strong brand recognition
- Strong financial performance since listing :
  - Record revenue and net profit achieved at S\$52.4m and S\$6.4m respectively in FY2014
  - Record proposed dividend of 2.67 Singapore cents for FY2014
    - Intention to distribute dividends of not less than 60% of net profits attributed to shareholder till FY2015
  - Healthy net profit margin of 12.2% for FY2014 with good cost management and economies of scale
- Experienced management team with successful track record
- Cost effective operations through the implementation of mechanisation and automation initiatives
- Continues to implement strategies to capture a larger share of the vast F&B market

\*Source: Events Catering Services Singapore – Euromonitor International, April 2012

## FY2014 Business Highlights

- Record number of 2.5 million guests served by the Group in FY2014, up from 2.13 million guests served in FY2013
- Food Catering launched fourth brand – Best Catering – and Introduced new menus and concepts to cater to diverse taste preferences and target audiences
- Grew the umisushi brand – opened 6 more outlets in Singapore and entered Jakarta
  - Currently runs 24 outlets in Singapore and 1 licensed outlet in Jakarta, Indonesia
- Centralised kitchen at 1 Enterprise Road will result in a capacity increase of three to four times and greater economies of scale
- Increased mechanisation and automation in operations to boost efficiencies:
  - Mechanisation: Rotary Fryer and Vegetable Cut Machine
  - Automation: Mobile Data Terminal, Kitchen Automation

## Kitchen Operations & Capacity

3 to 4 Times Increase in capacity with completion of new kitchen at 1 Enterprise Road in 2Q 2014

### Kitchens in-operation

#### 1. 6A Wan Lee Road

(Neo Garden Catering / Deli Hub Catering / Best Catering)

Built-in floor area: 12,346 sq ft

Capacity: 10,000 to 15,000 guests / day

#### 2. Jalan Tepong

(Supplies to umisushi Western outlets)

Built-in floor area: 2,573 sq ft

#### 3. Enterprise One

(Orange Clove Catering)

Built-in floor area: 8,913 sq ft

Capacity: 9,000 guests / day

#### 4. Shimei East Kitchen

(Supplies to umisushi Eastern outlets)

Built-in floor area: 3,014 sq ft

### Upcoming Kitchens

#### 5. 1 Enterprise Road

Built-in floor area: 57,111 sq ft

Capacity: 15,000 to 20,000 guests / day

#### 6. 30B Quality Road

Built-in floor area: 300,000 sq ft

Capacity: 20,000 to 30,000 guests / day

### Contact Us

1 Enterprise Road, Singapore 629813 | +65 6896 7757

Elvis LEE

Elvis.lee@neogroup.com.sg

Christine QUAK

Christine.quak@neogroup.com.sg

55 Market Street, #02-01 Singapore 048941 | +65 6534 5122

Dolores PHUA

Dolores.phua@citigatedrimage.com

Pearl LAM

Pearl.lam@citigatedrimage.com