

NOVO GROUP LTD.

Registration No. 198902648H

Incorporated in the Republic of Singapore

GRANT OF EXTENSION OF TIME TO MEET THE REQUIREMENTS UNDER RULE 1314 OF THE LISTING MANUAL FOR REMOVAL FROM THE SGX-ST WATCH-LIST (“WATCH-LIST”)

The board of directors (“**Board**”) of Novo Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 2 August 2016 on the Company’s application to the SGX-ST for an extension of a further twelve (12) months to the Cure Period (the “**Announcement**”).

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 update the shareholders that pursuant to the Company’s Extension Application, the SGX-ST has on 31 October 2016 granted the Company an extension of a further twelve (12) months to the Cure Period until 1 September 2017, to meet the requirements of Rule 1314(1) for removal from the Watch-List (the “**Waiver**”), subject to the following:

1. The Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107; and
2. Submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company.

As mentioned in the Announcement, the Company had made the Extension Application for the following reasons:

1. The Company’s market capitalization as at 1 August 2016 was approximately S\$68,321,708 and the average daily market capitalization has been at least S\$40 million for the last 6 months from the date of the Extension Application, hence meeting one of the requirements under Rule 1314(1) of the Listing Manual; and
2. Based on the unaudited consolidated financial statements for the financial year ended 30 April 2016, which was announced on 29 June 2016, the Group’s net cash generated from operating activities of continuing operations was US\$23,634,000 and the net cash used in operating activities of discontinuing operations was US\$36,645,000.

BY ORDER OF THE BOARD

Zhu Jun

Executive Chairman and Executive Director

31 October 2016