

NEWS RELEASE

NEO GROUP BREAKS GROUND ON HIGH-TECH CATERING HUB AT 30B QUALITY ROAD

- *High-tech headquarters and catering hub with five-fold increase in capacity, serving 250,000 meals per day*
- *State-of-the-art growth platform to accelerate future expansion through technology, towards full automation*
- *Significant cost savings with consolidation of central kitchens, offices, warehouses, logistics and storage facilities and other F&B operations in one location*
- *Research & Development centre with qualified experts and nutritionists, with product development focused on healthy menus*
- *To strengthen market share with increased capacity and grow recurring income streams through co-working kitchen and office spaces*



Artiste impression of Neo Group's new high-tech headquarters and catering hub



SINGAPORE – 15 March 2019 – Neo Group Limited ("**Neo Group**", 梁苑集团有限公司, or together with its subsidiaries, the "**Group**"), a homegrown integrated food solutions provider and Singapore's number one events caterer¹, is pleased to announce the groundbreaking of the Group's new high-tech headquarters and catering hub at 30B Quality Road today.

State-of-the-art Growth Platform Through Automation and Technology

Designed with a focus on automation, productivity and technology, the 300,000 square feet ("**sq ft**"), 10-storey headquarters and catering hub will consolidate Neo Group's operations and serve as a vital nerve centre to accelerate the Group's future expansion, replacing its current headquarters at Enterprise Road upon expected completion in 4Q 2020.

The state-of-the-art facility will house the Group's corporate office, Research and Development ("**R&D**") centre, central kitchens of its various food business segments and warehousing facilities, with a target towards full-automation.

¹ *Euromonitor International Report, 'Overview of Events Catering Services in Singapore', dated April 2018*



Neo Group's Founder, Chairman and CEO, Mr Neo Kah Kiat (梁佳吉), said, "The building of this new high-tech growth platform will be our engine of growth, accelerating our next phase of expansion through technology innovation and adoption, as we move towards full automation. This will enable us to aggressively expand market share and capture different consumer segments."

"This integrated facility will provide the Group with significant cost savings as we consolidate our central kitchens, offices, warehouses, logistics and storage facilities and other F&B operations in one location. The improvements in operational efficiencies through the use of automation will boost our production levels, and at the same time, substantially reduce demand for manpower."

Game-Changing Integrated Facility to Forge Stronger Partnerships

The new high-tech catering hub and integrated facility will be the first-of-its-kind in Singapore. With a five-fold increase in capacity and through the consolidation of central kitchens, the Group will be serving 250,000 meals per day. As part of the Group's strategy for long-term success, the facility will also include a state-of-the-art R&D centre with qualified experts and nutritionists, focusing on product development of healthy menus.

Recognising the changing demographics of the next generation of consumers, the Group's new facility will be one of the first catering hubs to offer dining facilities for social events, which is able to accommodate over 500 guests.



Leveraging on economies of scale, the hub will feature co-working kitchen and office spaces, providing partners with the flexibility to lease the facilities based on their own demand requirements. This helps to serve as a cost reduction facility to businesses, while growing the Group's recurring income stream.

Through this initiative, Neo Group will collaborate with budding F&B start-ups to work towards establishing a successful business as the flexi-rental scheme will lower their operating costs, while providing them access to larger commercial central kitchens and office working spaces according to their business needs.

Mr Neo said, "Many small-scale businesses with interesting concepts often find themselves between a rock and a hard place as they try to grow their business. This is mainly because the cost of setting up a licenced and fully equipped commercial-scale kitchen and office may not be a viable option. With that in mind, we will designate co-working facilities for our partners' use, which will also benefit Neo Group through a steady stream of recurring income. Through this form of collaboration, we are able to forge a strong working relationship with our partners, which could present us with the opportunity to participate in their businesses as they grow."



Cultivating Talent and Promoting Conducive Work Environment

With a deep-rooted corporate culture, the Group will dedicate an area within the new integrated facility to host a wide range of employee wellness facilities. Generous allocation of landscaping and sky gardens are included to stimulate creative process and encourage interaction with co-workers at the open spaces. This will attract and cultivate talents and at the same time, foster closer intra-Group working relationships.

About Neo Group Limited

Listed on the Catalist board of the Singapore Exchange Securities Trading Limited, Neo Group Limited is a homegrown, integrated food solutions provider. Established since 1992, the Group possesses an award-winning track record and is one of the most recognised brand names in Singapore. The Group has been named the number one events caterer in Singapore and provides one-stop food and catering solutions.

The Group prides itself in providing convenience to customers through its vertically-integrated value chain via four main business segments, namely, Food Catering, Food Retail, Food Manufacturing, Supplies and Trading and other businesses, combining their synergistic qualities to bring customers top value in delivering fresh and tasty meals on time.



The Group supplies a large variety of quality food and buffets appealing to various market segments through its multi-brand strategy. Neo Group's strong portfolio of over 20 brands includes *Neo Garden Catering, Deli Hub Catering, Orange Clove Catering, Best Catering, Chilli Manis Catering, Lavish Dine Catering, How's Catering, Gourmetz, Kim Paradise, umisushi, DoDo fish ball, Joo Chiat Kim Choo traditional rice dumplings, amongst others*. Its food retail network spans over 20 outlets islandwide.

Through its subsidiaries, Neo Group has a trading network across over 30 countries worldwide. Its operations are supported by the eight central kitchens, manufacturing facilities, warehouses and over 1,400 dedicated employees.

For more information, please visit www.neogroup.com.sg.





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