

PRESS RELEASE

Neo Group's half-time earnings soar four-fold to S\$2.8 million

- ***Achieves 23.2% y-o-y rise in revenue to S\$23.1 million from robust growth in Food Catering Business***
- ***Declares interim cash dividend of 1.16 Singapore cents per share, which is 136.7% higher than the interim dividend paid for 1H2013***
- ***Remains positive and confident about its industry outlook***

SINGAPORE – 9 September 2013 – Singapore's number one events caterer¹ **Neo Group Limited** ("Neo Group" or together with its subsidiaries, the "Group") 梁苑集团有限公司 today reported a sizzling set of half-time results. For the six months ended 31 July 2013 ("1H2014"), the Group, which owns the "Neo Garden Catering", "Orange Clove Catering", "Deli Hub Catering" and "umisushi" brands, achieved a four-fold rise in net profit attributable to equity holders to S\$2.8 million compared to S\$0.7 million recorded for the corresponding period last year ("1H2013").

The improved bottomline in 1H2014 was underpinned by a 23.2% rise in revenue to S\$23.1 million, thanks largely to a stellar performance by the Group's Food Catering Business. Revenue from this segment grew by 28.0% to S\$17.2 million, from S\$13.4 million in 1H2013, as a result of a higher volume of events the Group catered in the social, corporate and government sectors.

During the period under review, the Group's "Neo Garden Catering" brand successfully catered for 1,005 orders for the first day of Chinese New Year on 10 February 2013, serving more than 27,000 guests and setting a record for the "Highest Number of Events Catered by A Company In One Day" in Singapore's history. It also reached a historical high of 7,937 orders in February 2013.

The Group's Food Retail Business also did well in 1H2014, recording an 11.0% increase in revenue to S\$5.9 million. Delivery sales were boosted by the Group's newly created Online Order System which was launched in January 2013. The system brought in an impressive 61.4%

growth in delivery sales, equivalent to around S\$0.3 million, in 1H2014. On the retail front, there was a commendable 13.5% or S\$0.6 million increase in same-outlet sales from most of the Group's 18 "umisushi" outlets, in spite of the competitive F&B environment and mounting challenges in rental and manpower costs.

Said Founder, Chairman and CEO Mr Neo Kah Kiat 梁佳吉, "We are proud of Neo Group's progress which has seen three consecutive reporting periods of revenue growth since our listing in July 2012. For 1H2014, we delivered an impressive topline with our operating profit growing 28 times. Our strong performance was, in part, due to highly effective cost management and the implementation of other measures to enhance the Group's overall operational efficiency. We are heartened by this performance and continue to believe strongly in the huge growth potential of the food catering industry in Singapore."

Based on its latest set of results, Earnings per Share ("EPS") of the Group improved to 1.92 Singapore cents in 1H2014, from 1.39 Singapore cents in 1H2013; while Net Asset Value ("NAV") was boosted to 13.0 Singapore cents as at 31 July 2013, compared to 12.1 Singapore cents as at 31 January 2013. Both EPS and NAV are based on 144 million ordinary shares in issue during the period.

Dividend

In view of the Group's robust performance, the Directors are pleased to declare a tax-exempt interim dividend of 1.16 Singapore cents per share for 1H2014, which is 136.7% higher than the interim dividend of 0.49 Singapore cents per share it paid for 1H2013. The dividend is in line with the Group's commitment to recommend and distribute dividends of not less than 60% of its net profits attributable to shareholders in each of FY2013, FY2014 and FY2015. For FY2013, the Group distributed a total dividend of 1.50 Singapore cents per share.

Positive Outlook

Looking ahead, the Group is upbeat about its industry outlook and is making good progress in implementing its growth plans.

For its Food Catering business, the Group plans to create new catering brands so as to capture all segments of the consumer market. In addition, the Group will continue to grow its Food and Catering Supplies Business by extending trading services to external parties.

The Group is also working diligently to expand the number of “umisushi” outlets in Singapore and the region, either directly or through franchises, under its Food Retail Business. As announced in August 2013, the Group has made its maiden foray overseas with the opening of its first “umisushi” licensed outlet in Jakarta, Indonesia.

“We expect to unveil two other “umisushi” stores in Indonesia within the next two years and are actively working toward our target of 30 “umisushi” retail stores in Singapore by 2016. In our pipeline, we are on schedule to open three more “umisushi” outlets in Singapore in the third quarter of calendar year (“CY”) 2013 and two more outlets in the first quarter of CY2014,” said Mr Neo.

The Group is confident that its business will remain buoyant for the rest of FY2014. Mr Neo commented, “Moving forward, I have faith in the continued robust performance of our business segments, particularly as the second half of our financial year traditionally tends to be stronger than the first half given the major festive occasions and events such as Christmas and New Year celebrations that will typically require our food catering services.”

###

About Neo Group Limited

Neo Group Limited’s main businesses comprise the food catering and food retail businesses. In a report dated April 2012, the Group was ranked by Euromonitor International Limited (“Euromonitor”) as the number one events caterer in Singapore¹. Under its Food Catering Business, the Group supplies buffets through its “Neo Garden Catering”, “Orange Clove Catering” and “Deli Hub Catering” brands. Under its Food Retail Business, the Group operates a successful chain of 19 “umisushi” food retail outlets, as at 31 August 2013, offering Japanese convenience foods, mainly near MRT stations and in shopping malls. To support these operations, the Group has central kitchens in four locations in the eastern and western parts of Singapore. As part of its Food and Catering Supplies Business, the Group sources certain food ingredients and catering supplies directly from manufacturers and/or distributors, ensuring a timely supply of quality products to its food catering and food retail businesses. It also supplies food ingredients and Japanese food products to third parties.

###

¹ 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.

Issued for and on behalf of Neo Group Limited by:

August Consulting

Tel: (65) 6733 8873

Silvia HENG – silvia@august.com.sg / Mob: 9684 4500

CHIN May Nah – maynah@august.com.sg / Mob: 8139 7083

Serene CHIA – serene@august.com.sg / Mob: 8189 9962

IMPORTANT NOTICE

*This news release has been prepared by the Company and its contents have 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 (the "**SGX-ST**"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this document.*

The document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact person for the Sponsor is Mr Benjamin Choy, Director, Corporate Finance. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone: +65 6337 5115.