



NOVO GROUP LTD.
新源控股有限公司

FOR IMMEDIATE RELEASE

Novo and Tianjin Yida launched joint ventures to make major foray into food and beverage packaging and canned food Industry

(Hong Kong, 17 July, 2012), Novo Group Ltd. (“Novo”) together with its subsidiaries (the “Group”, SEHK:1048, SGX:MR8) is pleased to announce that the Group has restructured its business profile and has set-up joint ventures so to make a major foray into the metal packaging and canning industry. The move is matched with the long term development goal of becoming a leading player of food and beverage packaging products to consumer market around the world.

On 16 July 2012, the Group has agreed to transfer its 50% stake in Novo Development (Tianjin) Limited, a wholly-owned subsidiary of the Group, to Tianjin Yida Investment Co., LTD. (“Tianjin Yida”, “億達”) at an aggregate consideration of RMB25 million. The parent Group of Tianjin Yida (“Parent Group”) is one of the leading diversified business group in Tianjin, China. Amongst its various successful operations, including but not limited to the manufacturing and distribution of food and beverages, the Parent Group has set its focus on tinplate processing, can making, food packaging and the research & development of food and beverage processing technology. Based on its corporate strength, the Parent Group has established a widespread distribution network all over 20 countries and regions such as America, Europe and Africa and has built a diverged blue-chip customer base worldwide in the food and beverage industry.

On the same date, 16 July 2012, the parties signed a Joint Venture Agreement to jointly develop a metal packaging and canned food project in Tianjin. Under the terms of the said agreement, the Group will own 50% of the interest in the project while Tianjin Yida will own the remaining 50%.

The Chairman of Novo Group Ltd., Yu Wing Keung, Dicky, said, “With the economic growth of China steam rolling year after year, the average household income and purchasing power both registered new highs. As a result, the domestic market hungers for higher end processed foods and beverages as well as luxurious packaging. To seize the opportunity, the

Group has been planning, investing and developing the new electrolytic tinfoil (“ETP”) manufacturing project in Jiangsu province since 2011. The new ETP manufacturing project is mainly engaged in high end ETP manufacturing for food and beverage packaging industry. The objective of the Group is to lay a solid foundation along the metal packaging value chain development through vertical integration. In order to flourish in the downstream, sophisticated food and beverage market, we are constantly looking for opportunities to expand and venture into the high value added industry. The new venture represents the continuation of downstream growth strategy to penetrate into high value added ETP products and metal packaging business. Our new partner is one of the leading diversified business groups in the market. Its metal packaging and canning operations are the most distinguished and notable operations among their counterparts in the industry. Its reputation is supported by an extensive track record of achievements and numerous customer recognitions. We look forward to working with a partner that brings such profound experience and such a talented team. The new venture gives us a strong foothold in the growing and high potential metal packaging and canning market and is consistent with our strategy to strengthen our business profile. We will fully utilise the competitive edges of new venture to energise our business. While enhancing the investment return on the new venture, we will also continue to explore new growth areas to assure the sustainable growth of the Group. We anticipate that this new venture will create an encouraging growth for profit in coming years.”

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About Novo Group Ltd. (<http://www.novogroupltd.com>)

Novo Group is one of the leading players in steel industry and metal packaging industry. The Group provides comprehensive products and integrated services throughout the steel value chain. The Group has been listed on the Main Board of the SGX (Singapore Exchange Securities Trading Limited) since 2008 and dual-listed on the Main Board of the SEHK (Stock Exchange of Hong Kong Limited) since 2010.

Novo plays an active and vital role within the steel industry value chain on a long-term and recurring basis. With our capability to directly source and procure in bulk from major steel mills around the world, we are able to supply a diverse range of steel products to end-users, and at the same time, assist these mills in sourcing for iron ore and coal efficiently and cost effectively. We create value through our integrated support services that include processing, shipping and logistics, finance and insurance services, marketing and other related professional services. Led by an energetic team of professional and well experienced executives, Novo today has successfully expanded its footprints in various sectors of the steel value chain, from global trading to domestic distribution in the People’s Republic of China (the “PRC”), Hong Kong and Macau, steel processing and Electrolytic Tinfoil manufacturing in the PRC, iron ore and coal processing and warehousing in the PRC. Novo is headquartered in Hong Kong with subsidiaries and branch offices located at 9 different locations and with global presence across four continents in over 30 countries.

For more details, please visit below links :

HKeXNEws

<http://www.hkexnews.hk/listedco/listconews/SEHK/2012/0717/LTN20120717010.pdf>

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