



NOVO GROUP LTD.
新源控股有限公司

**Novo Group Ltd. and Laminate Industry Co., Ltd.
launch joint venture to make major foray
into laminated steel Industry**

(Hong Kong, 9 May, 2013), Novo Group Ltd. (“Novo”) together with its subsidiaries (the “Group”, SEHK:1048, SGX:MR8) are pleased to announce that the Group has signed a joint venture agreement with Laminate Industry Co., Ltd. in Japan today, to expand downstream business into the laminated steel market. This strategic move is aligned with the Group’s penetration strategy in developing downstream metal packaging business and further strengthens the Group’s direction of downstream extension of industrial value chain.

Under the terms of the agreement, Novo and Laminate Industry Co., Ltd. will jointly invest and manage a joint venture company which will principally engage in the production, sales and distribution of laminated tinplate products and laminated aluminum sheets for the food and beverage packaging industry. Novo will hold 90.1% equity interest in the Joint Venture while Laminate Industry Co., Ltd. will hold the remaining 9.9%. The initial registered capital of the Joint Venture will be RMB 25,000,000.

Laminate Industry Co., Ltd. possesses advanced laminated steel technology in the market and is one of the leading laminating corporations in Japan. Leveraging its 35 years’ experience of developing laminated steel products and related production equipment, Laminate Industry Co., Ltd. is one of the few corporations that possess multiple patents on laminated steel technology. The strategic partnership will leverage Novo’s supply of high quality tinplate, extensive sales network, professional and international management together with Laminate Industry Co., Ltd.’s expertise in lamination steel technology.

Commenting on the agreement with Laminate Industry Co., Ltd, Mr. Yu Wing Keung, Dicky, said, we are delighted to establish a close cooperation relationship with Laminate Industry Co., Ltd. With the arising concerns on food safety and environmental issues, food packaging materials has been one of the public focuses. Laminated steel products has gained prominence in packaging industry due to its superb anti-corrosion properties, non-toxic production process, compliance of environmental protection and food safety, which is

considered as one of the highest level of food preservation, hygienic and safety packaging materials. In terms of manufacturing technology, the laminating process requires a strictly controlled manufacturing process to achieve strong adhesion between the polymeric films and the steel sheets. Our JV partner is one of the leading laminating corporations in Japan that possesses advanced laminated steel technology in the areas of research and development and equips with rich experience and expertise in the laminated market. We are confident that this collaboration will enable the Group to enhance its competitive positioning and facilitate the Group to penetrate into new market segment so to capture new market shares by fueling with new laminated technology.

We believe this project will create significant synergy effect and complement each of our companies while broaden the Group's revenue and provide stable source of income for the Group. We anticipate that this new venture will create an encouraging growth for profit in coming years."

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

Novo Group is one of the leading integrated steel trading, tinsplate manufacturing, processing company in China and endeavors to becoming a leading corporation in metal packaging industry in China. The Group is focusing on bulk commodities trading (iron ore, coal and steel products), tinsplate manufacturing and downstream operations of metal packaging industry. The Novo 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. Headquartered in Hong Kong, Novo has subsidiaries and branch offices located at 9 different locations and with global presence in over 30 countries and across 4 continents.



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Novo Group Ltd.

www.novogroupltd.com

For press enquiries:

Novo Group Ltd. (www.novogroupltd.com)

Investor Relations Department

Tel: (852) 2517 7989

Fax: (852) 2915 5122

E-mail: ir@novogroupltd.com

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