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NOVO GROUP LTD.
新源控股有限公司*
(Incorporated in Singapore with limited liability)
(Company Registration No. 198902648H)
Hong Kong Stock Code: 1048
Singapore Stock Code: MR8

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is a reproduction of the announcement made by Novo Group Ltd. (the “**Company**”) pursuant to the Listing Manual of the Singapore Exchange Securities Trading Limited. In compliance with Rule 13.09(2) of the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, please refer to the attached announcement on the next page issued on the Singapore Exchange Securities Trading Limited on 16 July 2012.

By order of the Board
Novo Group Ltd.
Yu Wing Keung, Dicky
Executive Chairman

Hong Kong, 16 July 2012

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Yu Wing Keung, Dicky, Mr. Chow Kin Wa, Mr. Chow Kin San and three independent non-executive Directors, being Mr. Tang Chi Loong, Mr. Foo Teck Leong and Mr. Tse To Chung, Lawrence.

* *For identification purpose only*

NOVO GROUP LTD.

Registration No. 198902648H

Incorporated in the Republic of Singapore

ACQUISITION OF A NEW SUBSIDIARY

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the announcement dated 10 July 2012 (the "Announcement").

The Board of Directors of Novo Group Ltd. (the "Company") refers to the Announcement and wishes to clarify that the purchase consideration of RMB4,200,000 was arrived at on a willing-buyer and willing-seller basis and after taking into account the share capital of RMB4,200,000 (which is also the book value as at 30 June 2012) attributable to 60% of the interest in the Sewage Treatment Company.

BY ORDER OF THE BOARD

Yu Wing Keung, Dicky

Executive Chairman

16 July 2012