

CIRCULAR DATED 10 OCTOBER 2008

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Circular is issued by Novo Group Ltd. (the "Company"). If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred your ordinary shares in the capital of the Company, please forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

The approval-in-principle from the SGX-ST is not an indication of the merits of the Share Buy Back Mandate (as defined in the Circular), the Scheme (as defined in the Circular), the Share Plan (as defined in the Circular), the Company, its subsidiaries, its associated companies or the Shares (as defined in the Circular).

NOVO

NOVO GROUP LTD.

Company Registration Number: 198902648H
(Incorporated in the Republic of Singapore on 29 June 1989)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED ADOPTION OF THE NOVO EMPLOYEE SHARE OPTION SCHEME;**
- (2) THE PROPOSED ADOPTION OF THE NOVO PERFORMANCE SHARE PLAN;**
- (3) THE PROPOSED AMENDMENTS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY;**
- (4) THE PROPOSED SHARE BUY BACK MANDATE;**
- (5) THE GENERAL SHARE ISSUE MANDATE;**
- (6) THE PROPOSED CHANGE OF AUDITORS; AND**
- (7) THE PROPOSED PAYMENT OF DIRECTORS' FEES.**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 2 November 2008 at 10.00 a.m.
Date and time of Extraordinary General Meeting : 4 November 2008 at 10.00 a.m.
Place of Extraordinary General Meeting : RELC International Hotel, Room 506, Level 5,
30 Orange Grove Road, Singapore 258352