



MEGROUP LTD.
(Incorporated in Singapore)
(Company Registration No. 201804996H)

**PROPOSED ACQUISITION OF STAKE IN SUBSIDIARY
COMPLETION OF THE PROPOSED ACQUISITION AND THE ISSUE AND ALLOTMENT
OF CONSIDERATION SHARES**

Unless otherwise defined, all capitalised terms used herein shall have the meanings ascribed to them in the announcements dated 3 April 2019, 4 October 2019 and 8 November 2019.

The Board is pleased to announce that upon the satisfaction of all conditions precedent, the completion of the Proposed Acquisition has taken place today.

Following the completion of the Proposed Acquisition, the Group is now the legal and beneficial owner of 80% of the issued and paid-up capital of MJN Motors Sdn. Bhd., which owns and operates the Group's Honda dealerships directly and through its wholly-owned subsidiary, MJN Auto Sdn. Bhd.

In accordance with the terms of the SPA, 1,023,315 new ordinary shares in the capital of the Company (the "**Consideration Shares**") were issued and allotted to Mr Tan Kian Boon at the issue price of S\$0.205 per Consideration Share. The Consideration Shares shall rank *pari passu* in all respects with the existing issued and paid-up ordinary shares of the Company ("**Shares**").

Following the issue and allotment of the Consideration Shares, the total number of issued and paid-up Shares is now 119,523,315.

The listing and quotation notice from the SGX-ST on 8 November 2019 is not to be taken as an indication of the merits of the Consideration Shares, the Proposed Acquisition, the Company, its subsidiaries and their securities.

The Consideration Shares are expected to be listed and quoted on the Catalist board of the SGX-ST on or around 18 November 2019.

BY ORDER OF THE BOARD

Wong Cheong Chee
Executive Chairman and Chief Executive Officer

14 November 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the information, statements or opinions made or reports contained in this announcement.

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