



(Company Registration No. 201804996H)
(Incorporated in the Republic of Singapore)

(1) PROVISIONAL LETTER OF APPOINTMENT IN RESPECT OF A NEW FORD DEALERSHIP
(2) INCORPORATION OF A NEW SUBSIDIARY
(3) USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The Board of Directors (the "**Board**") of MeGroup Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 22 October 2018 (the "**Offer Document**") in connection with its initial public offering ("**IPO**") on the Catalist board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

1. PROVISIONAL LETTER OF APPOINTMENT IN RESPECT OF A NEW FORD DEALERSHIP

In line with the Group's expansion plans, the Board is pleased to announce that Sime Darby Auto Connexion Sdn Bhd ("**Sime Darby**") had on 27 June 2019 issued a provisional letter of appointment (the "**LOA**") to the Group to operate a 3S automobile dealership for the Ford brand of automobiles in Bukit Rimau, Shah Alam, Selangor, Malaysia (the "**New Ford Dealership**"). The Group has today accepted the LOA.

Under the terms of the LOA, the Group is required to, prior to the commencement of operations of the New Ford Dealership, (i) setup a sales and after sales service facility as per Sime Darby's guidelines, renovated in accordance with Ford's designs and standards; (ii) obtain all necessary licenses and/or permits to operate the New Ford Dealership and meet all other requirements, terms and conditions that may be stipulated by Sime Darby; and (iii) provide a banker's guarantee of RM75,000 in favour of Sime Darby as a performance security deposit.

The Group expects the New Ford Dealership to commence operations in the fourth quarter of the 2019 calendar year. Upon commencement of operations, the New Ford Dealership would bring the total number of dealerships operated by the Group under its dealership business to 8 dealerships under the Honda, Mazda, Peugeot, Hyundai and Ford brands.

2. INCORPORATION OF A NEW SUBSIDIARY

The Board also wishes to announce that the Company's wholly-owned subsidiary, Menang Nusantara Holdings Sdn. Bhd., has, in connection with the foregoing, incorporated a wholly-owned subsidiary in Malaysia, MN Otomart Sdn. Bhd. ("**MNOM**"), on 5 July 2019 for the purposes of entering into the LOA and to hold the New Ford Dealership. It is intended that the issued and paid-up capital of MNOM will be increased to RM1,000,000 (approximately S\$327,514 based on the exchange rate of RM3.0533:S\$1.00) (the "**Subscription**"), prior to the commencement of operations of the New Ford Dealership.

3. USE OF PROCEEDS FROM THE IPO

The Subscription will be funded by proceeds from the Group's IPO and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 March 2020.

The above utilisation is in line with the intended use of proceeds as set out in the Offer Document.

Upon completion of the Subscription, the status of the use of IPO proceeds will be as follows:-

Use of proceeds from IPO	Amount allocated (S\$'000)	Amount utilised as at 8 July 2019 (S\$'000)	Amount utilised upon completion of the Subscription (S\$'000)	Amount unutilized upon completion of the Subscription (S\$'000)
Business expansion (including organic expansion and mergers and acquisitions)	1,800	329	328	1,143
General working capital purposes	584	-	-	584
Total	2,384	329	328	1,727

The Company will continue to make announcements on the utilisation of the balance of the net proceeds of the IPO as and when such net proceeds are materially disbursed.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the incorporation of MNOM or the New Ford Dealership, other than through their shareholdings in the Company (if any).

The Company will provide further updates on the status of the above matters through SGXNet in accordance with the requirements under the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

BY ORDER OF THE BOARD

Wong Cheong Chee
Executive Chairman and Chief Executive Officer
8 July 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 Catalist Rules.*

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

The contact person for the Sponsor is Mr Eric Wong, Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place #09-01, Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.