

Media Release

MeGroup scores ‘firsts’ with automotive brand principals

- **1st Honda Dealership in portfolio receives 4S authorisation approval**
- **1st Hyundai 3S Dealership centre in Klang officially opened**
- **Separately, awarded manufacturing contract to supply components to a major carmaker**

Singapore, 14 October 2019 – SGX-Catalist listed **MeGroup Ltd.** (“MeGroup” or the “Company”, and together with its subsidiaries, the “Group”) today announced several developments in the Group’s two business segments. On the Dealership front, the Group secured its first 4S approval for its Honda Dealership in Cheras, while its first Hyundai Dealership centre has begun operations. As for the Group’s Manufacturing segment, MeGroup’s subsidiary, Menang Nusantara Sdn Bhd (“MNSB”), had successfully bid and been awarded a contract for the production and supply of noise, vibration and harshness (“NVH”) and non-NVH components to an assembler of a major carmaker in Malaysia.

Honda Dealership

MeGroup’s Honda Dealership outlet in Cheras was previously a 3S centre; carrying out the sale of new cars (1S), provision of after-sales car servicing (2S), and sale of spare parts and accessories (3S). As disclosed in the Group’s Offer Document dated 22 October 2018, it had obtained relevant approval to upgrade the dealership to a 4S centre on 24 August 2018.

The Group has since completed the upgrading works and subsequently attained 4S authorisation on 3 October 2019 from the brand principal.

The Honda Dealership in Cheras is now equipped to carry out body and paint repair services, as well as process all accident insurance claims (4S).

Hyundai Dealership

On 28 September 2019, the Group officially opened its first Hyundai 3S Dealership centre in Klang. This follows closely after the Group received a letter of award for its first Hyundai Dealership in April 2019. This outlet is currently the only Hyundai centre located in Klang and boasts a premium customer lounge as well as a quiet business centre with wifi for customers.

Manufacturing segment

The Group's Manufacturing segment under its subsidiary MNSB, had also made progress with the award to produce and supply NVH and non-NVH components to a major carmaker in Malaysia. These components are currently under development and the Group targets to begin supplying them in calendar year 2020. This manufacturing project will continue till the end of the car model's production lifecycle.

Ms Carol Wong, Executive Director of MeGroup Ltd. remarked: "We are pleased with the quick succession of positive corporate developments, a demonstration of the trust of our principals, and our commitment to develop our dual pillars of growth. Notably, our dealership segment drives the Group's topline growth whilst our manufacturing segment provides a stable, recurring income with higher margins. We remain focused on driving business expansion and creating long-term sustainable growth for our shareholders."

"The expansion of our Dealership portfolio is progressing well. Now that we have just opened our first Hyundai outlet, we are looking forward to the opening of our next dealership outlet – the Group's first Ford Dealership. We will also continue to strive to achieve 4S status for all our dealerships, so that we may offer the whole spectrum of services for our customers," added **Mr Jeffrey Wong, Head of Group Expansion & Strategy and Head of Dealership of MeGroup Ltd.**

End.

About MeGroup (<https://me-grp.com/>)

MeGroup Ltd. is a trusted component manufacturer and dealer in the automotive industry.

Under its Manufacturing business, MeGroup specialises in manufacturing ‘noise, vibration and harshness’ (“**NVH**”) and non-NVH components primarily for the automotive industry in Malaysia. It had also diversified into supplying NVH components to Johnson Controls Hitachi, a heating, ventilation and air-conditioning (“**HVAC**”) manufacturer.

Under the Group’s Dealership business, MeGroup owns and operates i) three Peugeot dealerships; ii) two Honda dealerships; iii) one Mazda dealership; iv) one Hyundai dealership; and v) one Ford dealership in Klang Valley, Malaysia.

MeGroup maintains long-standing partnerships with its manufacturing customers and is an Approved Supplier to Proton, Perodua, Honda, Mazda, another major carmaker, and Johnson Controls Hitachi. The Group also has established relationships with its dealership principals.

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*This press release has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, CIMB Bank Berhad (“**Sponsor**”) in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

This press release 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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