

Press Release

MeGroup Ltd. geared up for SGX-Catalist trading debut at 9.00 am on 31 October 2018

- **The 1,500,000 shares for Public Offer received 90 valid applications and was approximately 1.3 times subscribed**
- **MeGroup’s IPO of 16,500,000 Invitation Shares in aggregate was approximately 1.0 time subscribed¹**

Singapore, 30 October 2018 – MeGroup Ltd. (“**MeGroup**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that it has successfully completed its Initial Public Offering (“**IPO**”) of 16,500,000 Invitation Shares (“**Invitation Shares**” or “**Shares**”) at S\$0.23 per share (“**Invitation Price**”) comprising a placement of 15,000,000 Shares (“**Placement Shares**”) and a public offer of 1,500,000 Shares (“**Offer Shares**”).

At the close of the IPO at 12.00 noon on 29 October 2018, there were 90 valid applications received for a total of 1,963,000 Offer Shares, resulting in the public offer being approximately 1.3 times subscribed. The 15,000,000 Placement Shares have also been fully and validly subscribed (including 585,000 Placement Shares subscribed for by connected persons). In aggregate, MeGroup’s IPO of 16,500,000 Invitation Shares was approximately 1.0 time subscribed¹.

The listing of MeGroup and the trading of its shares on a “ready” basis is expected to commence at 9.00 am on 31 October 2018. **CIMB Bank Berhad, Singapore Branch** is the

¹ Excluding 585,000 Placement Shares subscribed for by connected persons

Sponsor and Issue Manager for the IPO and **CGS-CIMB Securities (Singapore) Pte. Ltd.** is the Underwriter and Placement Agent.

Mr Wong Cheong Chee (黄昌智), Executive Chairman and CEO of MeGroup Ltd. remarked: “We are grateful for our investors’ support in our IPO. This is only the beginning, as we strive to become a major player in our industry. Our goal is to be listed in Singapore because we believe that our listed status will boost our reputation and credibility in the market for future business deals and also gives us access to the capital markets to support our future growth. Once listed, we would like to execute our plans and aim to show investors our growth performance as we steadily expand our businesses.”

Mr Yee Chia Hsing, Head of Catalyst, CIMB Bank Berhad, Singapore Branch, added: “CIMB Bank is proud to have played a part in MeGroup’s growth story as the Sponsor for their Catalyst IPO. This is in line with the bank’s strategy of supporting SMEs.”

The IPO is expected to raise gross proceeds of approximately S\$3.8 million, which will be used for business expansion (including organic expansion and mergers and acquisitions), for general working capital purposes, and to pay for listing expenses.

Business Strategies and Future Plans

The Group intends to invest in new technologies to increase its manufacturing capability and cost efficiency, while upgrading its machinery and equipment to increase productivity. The Group will also pursue other upstream opportunities such as acquiring new technologies to manufacture other types of raw materials required in its manufacturing of NVH and non-NVH components. By keeping up with technological advances, the Group hopes to improve the cost efficiency of its supply chain.

Leveraging on its existing manufacturing capabilities and its established reputation as a reputable supplier, the Group intends to diversify into other NVH businesses that complement its existing NVH components and non-NVH components business so as to

achieve greater economies of scale. As an Approved Supplier to Johnson Controls Hitachi, the Group intends to supply NVH components to be incorporated into their HVAC products like air-conditioning units. Moreover, the Group believes that its NVH components and non-NVH components may also be used in other industries and be incorporated into the manufacturing of building insulation materials, packaging materials, home appliances and audio equipment.

The Group intends to expand its business in Malaysia, Singapore and overseas through investments, acquisitions, entering into joint ventures and/or strategic alliances, to complement its current and future business. It also intends to expand its portfolio of NVH components and non-NVH components in order to sell a wider variety of components to existing customers. Furthermore, the Group may enter into new dealership agreements or acquire other automobile dealership businesses in order to expand its automobile brand portfolio.

“Despite current market conditions, we believe that we offer an interesting proposition for investors to participate in a Malaysian automotive play. Our growth plans underline the market opportunities that we wish to capture, and we hope to generate long-term sustainable returns as we grow,” added Mr Wong.

End.

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

MeGroup Ltd. is a company involved in the manufacturing of noise, vibration and harshness (“**NVH**”) components and non-NVH components primarily for the automotive industry in Malaysia. It also owns and operates several 3S and 4S automobile dealerships for the sale of new automobiles under the Honda, Mazda and Peugeot brands in various parts of Malaysia.

MeGroup has developed long-standing partnerships with its manufacturing customers and is an Approved Supplier to the Malaysian manufacturers of the Perodua, Honda, Mazda and Proton brand of automobiles and heating, ventilation and air-conditioning (“**HVAC**”) manufacturer Johnson Controls Hitachi. The Group also maintains an established relationship with its dealership principals.

Issued on behalf of the Company by Cogent Communications Pte Ltd.
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The information in this Press Release is based on the information found in the Offer Document of MeGroup Ltd. (the "**Company**") dated 22 October 2018, that has been registered by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), acting as agent on behalf of the Monetary Authority of Singapore, on 22 October 2018 (the "**Offer Document**"). This Press Release does not purport to be complete and is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Document, including but not limited to the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" of the Offer Document. Words and expressions, unless otherwise defined in this Press Release, shall bear the same meanings assigned to them in the Offer Document.

No representation or warranty, express or implied, is or will be made in or in relation to, and no responsibility or liability is or will be accepted by the Company, CIMB Bank Berhad, Singapore Branch (the "**Sponsor and Issue Manager**"), and CGS-CIMB Securities (Singapore) Pte. Ltd. (the "**Underwriter and Placement Agent**") or any of their affiliates, advisers or representatives as to the fairness, accuracy, completeness or correctness of this Press Release and any liability therefore is hereby expressly disclaimed. Any prospective purchaser should make its own investigation of the securities and all information provided.

This Press Release includes forward-looking statements provided with respect to the anticipated future performance of the Company. Such forward-looking statements reflect various assumptions of the management concerning the future performance of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual events, results and developments may vary from those expressed or implied by the forward-looking statements and such variation may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the forward-looking statements based thereon.

This Press Release has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad ("Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this Press Release.

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