

CHEW'S GROUP LIMITED

(Company Registration No. 201020806C)
(Incorporated in the Republic of Singapore)

(1) PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF:-

- (A) CHEW'S AGRICULTURE PTE LTD;**
- (B) CHEW'S ENGINEERING SERVICES PTE LTD;**
- (C) CHEW'S GROUP INVESTMENT PTE LTD; AND**
- (D) CHEW'S GROUP MARKETING PTE LTD; AND**

(2) PROPOSED SPECIAL DIVIDEND

Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the announcements issued by the Company on 9 February 2018 and 8 March 2018.

1. The Board of Directors ("**Board**") of Chew's Group Limited ("**Company**") refers to the announcements of 9 February 2018 and 8 March 2018. Subject to the conditions in paragraph 3 below, the Board is proposing the declaration of a special one-tier tax exempt dividend of S\$0.35 per Share ("**Proposed Special Dividend**") from retained earnings. The amount of the Proposed Special Dividend is approximately S\$29,574,300.
2. The Proposed Special Dividend is part of the Company's continuing effort in enhancing its Shareholders' value. The amount of the Proposed Special Dividend was arrived at based primarily on the evaluation of the cash flow position of the Group and the sufficiency of working capital in meeting its daily business operations following completion of the Proposed Disposal. The Company is proposing to fund the payment of the Proposed Special Dividend by utilising its available internal resources, including but not limited to the Excluded Cash, and the net proceeds from the Proposed Disposal.
3. The Proposed Special Dividend is subject to the following conditions:
 - (a) the approval of Shareholders for the Proposed Disposal, as well as the Proposed Special Dividend, at an extraordinary general meeting ("**EGM**") to be convened;
 - (b) completion of the Proposed Disposal (the "**Completion**"); and
 - (c) the satisfaction of any regulatory approvals and/or statutory requirements which may be applicable in connection with the Proposed Special Dividend.
4. **The Proposed Special Dividend is conditional upon Shareholders' approval of the Proposed Disposal. If the Proposed Disposal is not approved by Shareholders at the EGM, the Proposed Special Dividend will not be carried out. For the avoidance of doubt, in the event that the Proposed Disposal is approved and the Proposed Special Dividend is not approved, the Proposed Disposal will nonetheless proceed.**
5. **If the conditions set out in paragraph 3 above are not satisfied by the Long Stop Date, being 31 May 2018 or such other date as may be mutually agreed between the Company and the Purchaser, the Proposed Special Dividend will not be payable.**

6. As the payment of the Proposed Special Dividend is subject to Completion, the Books Closure Date (as defined below) and actual payment date for the Proposed Special Dividend will be announced after the Completion Date. Shareholders who hold Shares in the share capital of the Company as at the date on which the transfer books and register of members will be closed ("**Books Closure Date**") shall be entitled to receive the Proposed Special Dividend. Shareholders should note that as the Books Closure Date is conditional on Completion, in order to be entitled to the Proposed Special Dividend, Shareholders are advised to continue to hold their Shares up to the Books Closure Date.
7. The aggregate amount of cash to be paid to each entitled Shareholder in respect of the Proposed Special Dividend shall be adjusted by rounding down any fractions of a cent to the nearest cent, where applicable.
8. A circular containing further information pertaining to the Proposed Disposal and the Proposed Special Dividend, together with a notice of the EGM, will be despatched to Shareholders in due course.
9. In the meantime, Shareholders and investors are advised to exercise caution when dealing in the Shares of the Company and to refrain from taking any action which may be prejudicial to their interests. In the event of any doubt, Shareholders and investors are advised to consult their stockbrokers, bank managers, solicitors, accountants and other professional advisers.

BY ORDER OF THE BOARD

Chew Chee Bin
Executive Chairman

21 March 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact person for the Sponsor is Ms Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).