

CHEW'S GROUP LIMITED

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

HEAVY THUNDERSTORM CAUSING EXTENSIVE DAMAGE TO FARM AT 20 MURAI FARMWAY

1. The Board of Directors ("**Board**") of Chew's Group Limited ("**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that a heavy thunderstorm which occurred in the afternoon of 30 March 2018 ("**Heavy Thunderstorm**"), has caused extensive damage to the farm of its wholly-owned subsidiary, Chew's Agriculture Pte Ltd ("**CAPL**") which is located at 20 Murai Farmway Singapore 709153 ("**Farm**"). CAPL is the operating entity for the Group's business of producing and selling generic and designer eggs, liquid eggs, trading of spent grains, and food processing.
2. The Heavy Thunderstorm has caused extensive damage to 13 of the Group's chicken sheds (which mainly housed the Group's breeder and white egg layers chickens) and the egg production cum warehouse building, where the egg grader machine used for the sorting and packing of eggs is housed. One worker with minor injuries was reported and had received appropriate medical treatment as at the date of this announcement. The Company is currently working closely with government agencies and professional engineers to restore the egg production facilities, and the clearance of the debris and bio-assets is also underway. The Company is in the process of assessing the losses to the Group caused by the Heavy Thunderstorm and the financial impact on the Group can only be reliably determined at a later date.
3. Although the business and operations of CAPL will still be ongoing, CAPL's production volume will be affected for the next one to two weeks. In the meantime, the management of CAPL will take measures to address operational issues such as egg collection and storage, and the setting up of a temporary sales and administrative office. The measures will include making arrangements with another egg producer in Singapore to use their egg grader/packaging machine, and in working with customers to minimise the disruption to their businesses as a result of the unexpected reduction in production volume.
4. The Company is working with its insurer to recover the loss of income, damage to the Farm and equipment and will make the appropriate claims for the same.
5. The Board further refers to the circular dated 26 March 2018 in relation to, *inter alia*, the proposed disposal of the entire issued and paid-up share capital of CAPL, Chew's Engineering Services Pte Ltd, Chew's Group Investment Pte Ltd and Chew's Group Marketing Pte Ltd to HL Plus Pte. Ltd. ("**Purchaser**"), which is a wholly-owned subsidiary and nominee of Huat Lai Resources Berhad ("**Huat Lai**"). Both Huat Lai and the Purchaser have been informed of the above matter.
6. Further announcements will be made by the Company as and when there are any material developments in relation to the aforesaid.

BY ORDER OF THE BOARD

Chew Chee Bin
Executive Chairman

1 April 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).