

**TERM SHEET FOR THE PROPOSED SALE OF SHARES BY THE CONTROLLING
SHAREHOLDER OF THE COMPANY**

The Board of Directors (“**Board**” or “**Directors**”) of Chew’s Group Limited (“**Company**”) wishes to announce that it has been informed by the controlling shareholder of the Company, Fenghe Investment Holding Pte. Ltd. (“**Fenghe**”), that Fenghe had entered into a non-legally binding term sheet (“**Term Sheet**”) today with a potential third party purchaser (“**Purchaser**”), to sell all of Fenghe’s shareholdings in the Company comprising of 57,580,341 ordinary shares (“**Sale Shares**”) representing 68.14% of the total issued and fully paid-up share capital of the Company (“**Proposed Sale**”) at the price of S\$0.2107 per Sale Share, for a total of S\$12,132,177.85 to be satisfied in cash.

Further details of the Proposed Sale will be discussed by Fenghe and the Purchaser (each a “**Party**” and collectively, the “**Parties**”). The execution of the definitive transaction agreements for the Proposed Sale (“**Definitive Agreements**”) shall be subject to and conditional upon the satisfaction and fulfillment of, *inter alia*, the following conditions precedent:

- (a) results of such legal and financial due diligence (if any) on the Company being reasonably satisfactory to the Purchaser; and
- (b) the obtaining by the Purchaser of all requisite approvals and clarifications from the Securities Industry Council of Singapore.

The Parties shall work towards the following timeline:

- (a) negotiations of the Definitive Agreements by two (2) weeks from the date of the Term Sheet;
- (b) signing of the Definitive Agreements within three (3) business days from the books closure date for the declaration of dividend by the Company to its shareholders from the cash of the Company not exceeding S\$8.5 million; and
- (c) completion of the Proposed Sale to fall on the date of the sale and purchase agreement for the Proposed Sale.

Following the completion of the Proposed Sale, the Purchaser will make a mandatory general offer in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers for all the remaining shares of the Company (“**Shares**”) not already owned, controlled or agreed to be acquired by the Purchaser (“**Offer**”).

Shareholders should note that there is no certainty or assurance that the Definitive Agreements will be entered into, that the Proposed Sale will be completed and/or an Offer will be made.

The Directors of the Company (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. The Directors of the Company jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

The Company will make the necessary announcements, in compliance with the requirements of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst, as and when there are material developments in respect of the Proposed Sale, the Definitive Agreements and other matters contemplated in this announcement.

Shareholders and potential investors should note that the Proposed Sale is subject to the fulfilment of the conditions precedent in the Term Sheet and the Definitive Agreements to be entered into and accordingly, should exercise caution when trading in the Shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Chew Chee Bin
Executive Chairman

8 June 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).