

CIRCULAR DATED 9 JANUARY 2019

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of Chew's Group Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

*This Circular 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 (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this Circular.*

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular including the correctness of any of the statements or opinions made or reports contained in this Circular.

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).



CHEW'S GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201020806C)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

- (1) PROPOSED CHANGE OF NAME OF THE COMPANY TO "ONEAPEX LIMITED";**
- (2) PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS AND THE FINANCIAL INVESTMENTS SERVICES BUSINESS; AND**
- (3) PROPOSED ADOPTION OF THE IPT GENERAL MANDATE.**

Independent Financial Adviser to the Recommending Directors
in relation to the IPT General Mandate



NOVUS CORPORATE FINANCE PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201723484W)

IMPORTANT DATES AND TIMES

- | | | |
|--|---|---|
| Last date and time for lodgement of Proxy Form | : | 28 January 2019 at 11.00 a.m. |
| Date and time of Extraordinary General Meeting | : | 31 January 2019 at 11.00 a.m. (or soon thereafter following the conclusion or adjournment of the AGM of the Company to be held at 10.00 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | 9 Kent Ridge Drive, Singapore 119241
Kent Ridge Guild House, Cluny Room, Level 2 |

CONTENTS

SECTION	PAGE NO.
DEFINITIONS	3
LETTER TO SHAREHOLDERS	
1 INTRODUCTION	8
2 THE PROPOSED CHANGE OF NAME	9
3 THE PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS AND THE FINANCIAL INVESTMENTS SERVICES BUSINESS	9
4 THE PROPOSED ADOPTION OF THE IPT GENERAL MANDATE.....	26
5 INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS IN THE PROPOSED RESOLUTIONS.....	35
6 DIRECTORS' RECOMMENDATION	35
7 EXTRAORDINARY GENERAL MEETING	36
8 ACTION TO BE TAKEN BY SHAREHOLDERS	36
9 DIRECTORS' RESPONSIBILITY STATEMENT	37
10 DOCUMENTS FOR INSPECTION	37
APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE	38
NOTICE OF EXTRAORDINARY GENERAL MEETING.....	48
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Act” or “Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
“AGM”	:	The annual general meeting of the Company for FY2018 to be held on 31 January 2019 at 10.00 a.m. at 9 Kent Ridge Drive, Singapore 119241, Kent Ridge Guild House, Cluny Room, Level 2
“approved exchange”	:	Means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules
“associate”	:	Means: <ul style="list-style-type: none">(i) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) of the Company means:<ul style="list-style-type: none">a. his immediate family;b. the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; andc. any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more(ii) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Audit Committee”	:	The audit committee of the Company as constituted from time to time
“Board” or “Board of Directors”	:	The board of directors of the Company
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, supplemented or modified from time to time
“CDP”	:	The Central Depository (Pte) Limited
“CFIL”	:	Chew’s Food International Limited
“Chief Risk Officer”	:	The chief risk officer of the Company, as appointed from time to time
“Circular”	:	This circular to Shareholders dated 9 January 2019

DEFINITIONS

“Company”	: Chew’s Group Limited
“Conflicted Individual”	: A Director and/or key management personnel who has an interest in a transaction proposed to be undertaken by the Group pursuant to the Proposed Diversification
“Constitution”	: The existing Constitution of the Company
“Contemplated Associates”	: The associates of (i) Tan Pei Hong, Alex (Chen Peifeng), (ii) Tan Theng Hong, Amos and (iii) Chiu Joon Sun (Zhao Junsheng) whom may enter into a Transaction with the Company, and as more particularly described in Section 4.2.1 of this Circular
“Current Core Business”	: The business of trading generic and designer eggs and other food products in Hong Kong by the Company’s Hong Kong subsidiary, CFIL, and as more particularly described in Section 3.1 of this Circular
“Director”	: A director of the Company, as at the date of this Circular
“Disposal of Business”	: The disposal of the Company’s business of producing and selling generic and designer eggs, liquid eggs, trading of spent grains and food processing, and as more particularly described in Section 3.1 of this Circular
“EGM”	: The extraordinary general meeting of the Company, to be convened for the purposes of considering and, if thought fit, passing with or without modifications, the Proposed Resolutions set out in the Notice of EGM on pages 48 to 50 of this Circular
“entity at risk”	: Means: <ul style="list-style-type: none">(i) the Company;(ii) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or(iii) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company
“Financial Investments Services Business”	: The Group’s proposed financial investments services business, which, subject to Shareholder’s approval at the EGM shall, include the Fund Management Business, wealth management and family office advisory services as more particularly described in Section 3.2 of this Circular
“Fund Management Business”	: The Group’s proposed fund management business, within the meaning of the Securities and Futures Act, which means managing the property of, or operating a collective scheme, or undertaking on behalf of customers (whether on a discretionary authority granted by the customer or otherwise) the management of a portfolio of capital markets and as more particularly described in Section 3.2 of this Circular
“FY”	: Financial year ended or ending 30 September

DEFINITIONS

“F&B”	:	Food and beverage
“Group”	:	The Company and its subsidiaries, collectively
“immediate family”	:	In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
“interested person”	:	Means in relation to the Company: (i) a director, chief executive officer, or controlling shareholder of the Company; or (ii) an associate of any such director, chief executive officer, or controlling shareholder
“interested person transaction”	:	Means a Transaction between an “entity at risk” and an “interested person”
“IFA”	:	Novus Corporate Finance Pte. Ltd., the independent financial adviser to the Recommending Directors in respect of the IPT General Mandate
“IFA Letter”	:	The letter from the IFA in relation to the Proposed Adoption of the IPT General Mandate, as set out in Appendix A to this Circular
“IPT General Mandate”	:	A general mandate given by the Shareholders pursuant to Chapter 9 of the Catalyst Rules to authorise the Company and its subsidiaries, in their ordinary course of businesses, to enter into the categories of transactions specified in Section 4.2.2 of this Circular with any Contemplated Associate subject to the guidelines and review procedure as set out in Section 4.2.4 of this Circular
“IPT Guidelines and Review Procedures”	:	Means the methods or procedures for determining Transaction prices for interested person transactions with a Contemplated Associate, as more particularly described in Section 4.2.4 of this Circular
“IPT Register”	:	A register maintained by the Company to record all interested person transactions, including interested person transactions below S\$100,000 as more particularly described Section 4.2.4 of this Circular
“IPT Review Procedure Thresholds”	:	Means the review procedure thresholds as more particularly described in Section 4.2.4 of this Circular
“Latest Practicable Date”	:	3 January 2019 being the latest practicable date prior to the printing of this Circular
“MAS”	:	Monetary Authority of Singapore
“Notice of EGM”	:	The notice of EGM which is set out on pages 48 to 50 of this Circular
“OneWealth”	:	OneWealth Development Pte. Ltd.

DEFINITIONS

- “Property Business” : The Group’s proposed property business, which, subject to Shareholders’ approval at the EGM, shall include the Property Investment Business, Property Management Business and Property Development Business, that may be carried out both within and outside of Singapore, as more particularly described in Section 3.2 of this Circular
- “Property Development Business” : The Group’s proposed property development activities including acquisition, development and/or sale of commercial and residential properties and hotels
- “Property Investment Business” : The Group’s proposed investments into various properties for rental income and/or capital growth
- “Property Management Business” : The Group’s proposed management of various properties, with a focus on hotels, hostels, hospitals and F&B outlets, for the collection of fees for the provision of property related services and facilities
- “Proposed Adoption of the IPT General Mandate” : The proposed adoption of the IPT General Mandate by the Company as more particularly described in Section 4 of this Circular
- “Proposed Change of Name” : The proposed change of name of the Company from “Chew’s Group Limited” to “OneApex Limited”
- “Proposed Diversification” : The proposed diversification of the Group’s business to include the Property Business and the Financial Investments Services Business as more particularly described in Section 3.2 of this Circular
- “Proposed Resolutions” : The proposed resolutions relating to the Proposed Change of Name, the Proposed Diversification and the Proposed Adoption of the IPT General Mandate to be voted on at the EGM
- “Recommending Directors” : Directors who are regarded as independent for the purposes of making a recommendation on the Proposed Adoption of the IPT General Mandate, namely, Zachary Tan Lian Chye, Chee Teck Kwong Patrick, Low Chin Parn Eric and Wan Tai Foong
- “RFMC” : Registered Fund Management Company
- “Risk Committee” : The risk committee of the Company as constituted from time to time
- “Securities and Futures Act” : Securities and Futures Act, Chapter 289 of Singapore, as may be amended, modified or supplemented from time to time
- “SF(LCB)R” : Securities and Futures (Licensing and Conduct of Business) Regulations (Chapter 289, Regulation 10), as amended, varied or supplemented from time to time
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “Shareholders” : Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited

DEFINITIONS

“Shares”	: Ordinary shares in the capital of the Company
“Substantial Shareholder”	: A person who has an interest in the voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Shares, or those Shares, represent not less than 5.0% of all the voting Shares
“Transaction”	: Includes: <ul style="list-style-type: none">(i) the provision or receipt of financial assistance;(ii) the acquisition, disposal or leasing of assets;(iii) the provision or receipt of services;(iv) the issuance or subscription of securities;(v) the grant of or being granted options; and(vi) the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example through one or more interposed entities)

Currencies and Units

“S\$”	: Singapore dollars, the lawful currency of the Republic of Singapore
“%”	: Percentage

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meaning ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The terms “subsidiary”, “related corporation” and “wholly-owned subsidiary” shall have the meanings as ascribed to them in the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to “persons” shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, Catalist Rules or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, Securities and Futures Act, Catalist Rules or any such statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

LETTER TO SHAREHOLDERS

CHEW'S GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201020806C)

Board of Directors:

Zachary Tan Lian Chye *(Non-Executive Non-Independent Chairman)*
Tan Pei Hong, Alex (Chen Peifeng) *(Executive Director and Chief Executive Officer)*
Chiu Joon Sun (Zhao Junsheng) *(Executive Director)*
Chee Teck Kwong Patrick *(Lead Independent Director)*
Low Chin Parn Eric *(Independent Director)*
Wan Tai Foong *(Independent Director)*

Registered Office:

80 Raffles Place
#32-01 UOB Plaza 1
Singapore 048624

9 January 2019

To: The Shareholders of Chew's Group Limited.

Dear Sir / Madam,

- (1) **PROPOSED CHANGE OF NAME OF THE COMPANY TO ONEAPEX LIMITED (亿高有限公司);**
 - (2) **PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS AND THE FINANCIAL INVESTMENTS SERVICES BUSINESS; AND**
 - (3) **PROPOSED ADOPTION OF THE IPT GENERAL MANDATE.**
-

1 INTRODUCTION

1.1 EGM

The Directors propose to convene an EGM to seek approval from Shareholders in relation to:

- (i) the Proposed Change of Name of the Company to OneApex Limited (亿高有限公司) ("**Special Resolution 1**");
 - (ii) the Proposed Diversification of the business of the Group to include the Property Business and the Financial Investments Services Business ("**Ordinary Resolution 1**"); and
 - (iii) the Proposed Adoption of the IPT General Mandate ("**Ordinary Resolution 2**"),
- (collectively, the "**Proposed Resolutions**").

Shareholders should note the following:

- (a) Ordinary Resolution 2 is conditional upon the approval of Ordinary Resolution 1. If Ordinary Resolution 1 is not passed, then Ordinary Resolution 2 will not be passed.
- (b) For the avoidance of doubt, Special Resolution 1 and Ordinary Resolution 1 are not conditional upon the passing of any other resolutions.

1.2 Circular to Shareholders

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Resolutions, including the rationale for and benefits thereof to the Group, and to seek Shareholders' approval at the EGM for the Proposed Resolutions, notice of which is set out on pages 48 to 50 of this Circular.

LETTER TO SHAREHOLDERS

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

The SGX-ST takes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained in this Circular.

2 THE PROPOSED CHANGE OF NAME

2.1 Background and Rationale

The Directors are proposing to change the Company's name from "Chew's Group Limited" to "OneApex Limited" and the adoption of the Chinese name "亿高有限公司" for identification purpose ("**Proposed Change of Name**"). In light of the Proposed Diversification of the Group's Current Core Business (see Section 3 below), the Board is of the view that it would be appropriate to adopt a new name for the Company to reflect the change in focus of the business operations of the Company, and to allow the public and the Company's business partners to better identify with the Company going forward.

The Proposed Change of Name will not affect the identity or legal status of the Company or any of its rights and obligations and the trading of the Company's Shares on the SGX-ST nor will it affect any of the rights of the Shareholders or the Group's daily business operations and financial standing.

2.2 Approvals

An application was made to the ACRA to reserve the name "OneApex Limited". The application has been approved on 23 October 2018 and the name has been reserved for a period of 120 days from the date of the application until 20 February 2019.

The Proposed Change of Name is subject to Shareholders' approval and will be tabled as a special resolution at the EGM to be convened as set out in the Notice of EGM on pages 48 to 50 of this Circular.

Upon receipt of Shareholders' approval for the Proposed Change of Name, the Company shall adopt "OneApex Limited" as its new name with effect from the registration of such name with the ACRA, and the name "OneApex Limited" shall replace all references to "Chew's Group Limited" wherever it appears in the Company's Constitution. Apart from the substitution of the Company's name as aforesaid, there will be no other amendments made to the Company's Constitution.

The Company will make an announcement once the name "OneApex Limited" takes effect.

2.3 No Replacement of Share Certificates Required

The Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not be recalling any existing share certificates of the Company from Shareholders. Existing share certificates of the Company bearing the current name, that is, "Chew's Group Limited", issued prior to the date on which the Proposed Change of Name takes effect, will continue to be *prima facie* evidence of legal title. No further action is required on the part of Shareholders in respect of their existing share certificates.

3 THE PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS AND THE FINANCIAL INVESTMENTS SERVICES BUSINESS

3.1 Existing Business of the Group

Following the completion on 20 April 2018 of the disposal of the entire issued and paid-up share capital of (1) Chew's Agriculture Pte Ltd, (2) Chew's Engineering Services Pte Ltd, (3) Chew's Group Investment Pte Ltd, and (4) Chew's Group Marketing Pte Ltd, the Group ceased its business of producing and selling generic and designer eggs, liquid eggs, trading of spent grains and food processing in Singapore (the "**Disposal of Business**").

LETTER TO SHAREHOLDERS

At present, the Group's only remaining subsidiary is Chew's Food International Limited ("**CFIL**"), and its core business is in the business of trading generic and designer eggs and other food products in Hong Kong ("**Current Core Business**").

For more information, please refer to the Company's issued announcements on SGXNet in relation to the Disposal of Business dated 9 February 2018, 8 March 2018, 21 March 2018, 23 March 2018, 12 April 2018 and 20 April 2018.

3.2 Information regarding the Proposed Diversification

Upon the approval of Shareholders for the proposed diversification of the Group's business being obtained at the EGM, the Group intends to expand its Current Core Business to include the (1) Property Business (as described below) and the (2) Financial Investments Services Business (as described below) as and when appropriate opportunities arise (the "**Proposed Diversification**").

The Property Business

The Property Business is intended to consist of:

- (i) investments into various properties for rental income and/or capital growth (the "**Property Investment Business**");
- (ii) management of various properties, with a focus on hotels, hostels and F&B outlets, for the collection of fees for the provision of property related services and facilities (the "**Property Management Business**"); and
- (iii) property development activities including acquisition, development and/or sale of commercial and residential properties and hotels (the "**Property Development Business**").

The Company intends to focus its Property Business efforts initially in Singapore because the management team is familiar with and has a wide network of business associates to leverage in seeking out profitable opportunities in Singapore's property industry. The Company may subsequently venture overseas when suitable opportunities arise.

The decision on whether a Property Business project should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of each project, amount of investment required and risks associated with such an investment, nature of expertise required, the period of time that is required to complete the project and conditions in the property market, taking into account the opportunities available.

The Financial Investments Services Business

The Financial Investments Services Business is intended to consist of:

- (i) fund management, within the meaning of the Securities and Futures Act, which means managing the property of, or operating a collective scheme, or undertaking on behalf of customers (whether on a discretionary authority granted by the customer or otherwise) the management of a portfolio of capital markets products ("**Fund Management Business**"); and
- (ii) wealth management and family office advisory services.

Regulatory Requirements

The Financial Investments Services Business, in particular, the Fund Management Business, is a regulated activity in Singapore under the Securities and Futures Act, and is subject to the supervision and regulation of the MAS.

LETTER TO SHAREHOLDERS

The Financial Investments Services Business will be operated via a new vehicle or vehicles for the purpose of risk management. The Company intends to take the necessary steps, including but not limited to setting up new subsidiaries to obtain, or explore joint ventures and strategic alliances with partners that hold the necessary licences, such as a Registered Fund Management Company (“RFMC”), from MAS to conduct the Fund Management Business.

RFMCs may carry on the business of fund management in Singapore with no more than 30 qualified investors¹ (of which no more than 15 may be funds or limited partnership fund structures), and the total value of the assets managed does not exceed S\$250 million.

An RFMC must meet, amongst others, the following requirements:

(a) Competency of key individuals

A RFMC should ensure that the minimum competency requirements, such as (i) the number of directors (at least 2 directors and one of them is an executive director); (ii) the minimum years of relevant experience for the directors (at least five years); (iii) the minimum years of relevant experience for the chief executive officer (at least five years); (iv) the number of relevant professionals residing in Singapore (at least two); (v) the minimum years of relevant experience for such professionals (at least five years); and (vi) the number of representatives residing in Singapore (at least two), as prescribed by MAS are met.

(b) Fit and proper

A RFMC should satisfy MAS that its shareholders, directors, representatives and employees, as well as the fund management company itself, are fit and proper, in accordance with the relevant guidelines issued by MAS.

(c) Base capital

A RFMC shall at all times meet the base capital thresholds set out in the relevant regulations of the Securities and Futures Act (being S\$250,000) upon obtaining its licence or being registered with MAS.

(d) Risk management framework

A RFMC shall put in place a risk management framework to identify, address and monitor the risks associated with customers’ assets that it manages, as required by the relevant regulations of the Securities and Futures Act. Such framework should address (i) the governance, independence and competency of the risk management function; (ii) identification and measurement of risks associated with customer assets; (iii) timely monitoring and reporting of risks to management, and (iv) documentation of risk management policies, procedures and reports.

(e) Internal audit and independent annual audit

A RFMC’s business activities shall be subject to adequate internal audit, which should be commensurate with the scale, nature and complexity of its operations. In addition, a RFMC shall meet the annual audit requirements as set out in the Securities and Futures Act as well as any applicable regulations.

Investment Objectives, Policy and Strategy

The Financial Investments Services Business of the Company is intended to mainly support the Property Business of the Company by allowing the Company to leverage and benefit from access to pools of capital and high net worth clients seeking investments opportunities. However, financial investments services may also be provided to third parties when opportunities arise.

Please refer to the sections entitled “Rationale” and “Risk Factors” as set out in Sections 3.3 and 3.9 respectively of this Circular for the rationale for and risks associated with the Proposed Diversification.

¹ A qualified investor generally refers to an accredited investor, a collective investment scheme offered in Singapore only to accredited and/or institutional investors, a closed-end fund offered only to accredited and/or institutional investor, an institutional investor other than a collective investment scheme, or a limited partnership where the limited partners comprise solely of accredited investors and/or institutional investors (as defined in the Second Schedule to the Securities and Futures (Licensing and Conduct Business) Regulations).

LETTER TO SHAREHOLDERS

3.3 Rationale for the Proposed Diversification

Enhance Shareholders' Value

The Board believes that the Proposed Diversification represents an opportunity to establish new business segments for the Group which have the potential to provide the Group with new revenue streams.

Through the Property Business, the Group may also be able to enhance its profitability, Shareholder value and returns through the introduction of possible recurring rental income and/or management income, and capital gains from the Property Business.

The Financial Investments Services Business is expected to work synergistically with the Group's Property Business by allowing the Group to leverage and benefit from the access to additional avenues of both investment opportunities and capital for the Group to both invest and be invested in.

3.4 Management of the Property Business and Financial Investments Services Business

The Executive Directors of the Company, comprising Tan Pei Hong, Alex (Chen Peifeng) and Chiu Joon Sun (Zhao Junsheng), will be collectively responsible for overseeing the entire operations of the Group. In terms of the division of work, it is currently envisaged that Tan Pei Hong, Alex (Chen Peifeng) will be in charge of the Property Business, while Chiu Joon Sun (Zhao Junsheng) will be in charge of the Financial Investments Services Business. This division of work reflects the experience and know-how of the respective Executive Directors.

Tan Pei Hong, Alex (Chen Peifeng) has substantial experience in the property industry in Singapore. He served as general manager of the Yi Kai Group, a real estate developer, between 2014 and 2016 before becoming chief operation officer at Prime Asia Asset Management Pte. Ltd. from 2016 to 2018. Prior to his appointment as Executive Director and Chief Executive Officer of the Company, Tan Pei Hong, Alex (Chen Peifeng) was the director of business development at Yi Kai Group in 2018.

Chiu Joon Sun (Zhao Junsheng) has more than a decade of experience in the financial industry, in particular wealth management, in Singapore. From 2011 to 2013, Chiu Joon Sun (Zhao Junsheng) was the Associate Director at UBS Group AG private banking. Prior to joining the Company as Executive Director, Chiu Joon Sun (Zhao Junsheng) was director of wealth management at Nomura Singapore Limited.

3.5 Funding Requirements for the Property Business and Financial Investments Services Business

The Proposed Diversification into the Property Business and the Financial Investments Services Business will be funded primarily through internal funds and/or borrowings from financial institutions. As and when necessary and deemed appropriate, the Group may explore secondary fund-raising exercises by tapping the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments.

The Group will remain prudent and take into account the financial condition of the Group in deciding the types of property development and/or investment projects it undertakes, and the amounts thereof.

3.6 Prospect of the Property Business and Financial Investments Services Business

The Emerging Trends in Real Estate Asia Pacific report for 2019 reported that Singapore is the second best prospect in the Asia Pacific for real estate investments¹. The Group is of the view that there are likely to be opportunities to invest in within the property market of Singapore.

¹ The information is derived from the Emerging Trends in Real Estate Asia Pacific 2019 report (a publication from Urban Land Institute and Pricewaterhouse Cooper: <https://www.pwc.com/sg/en/publications/assets/emerging-trends-real-estate-asia-pacific-2019.pdf>). (Accessed on 26 December 2018)

LETTER TO SHAREHOLDERS

In light of the sustained growth of the tourism sector in Singapore, the Group believes that there will be a concomitant increase in demand for property development and property management services especially from hotels, hostels and F&B outlets². Thus, the Group is of the view that entering into the business of property management with a hospitality focus will enhance the profitability and financial position of the Group.

MAS had in its report noted that Singapore serves as a global Asia gateway for asset managers and investors to tap the region's growth opportunities, and that the asset management industry expanded by 19% to S\$3.3 trillion in 2017³. In light of the general trend of the Singapore government's effort to grow the fund management industry, the Group is of the view that there are profitable opportunities for the Financial Investments Services Business.

3.7 Risk Management Measures and Safeguards

To address the risks presented by the Proposed Diversification, the Risk Committee of the Company and the Chief Risk Officer, will be tasked with the responsibility of overseeing the risk management activities of the Company following the Proposed Diversification.

The Risk Committee will be required to approve appropriate risk management procedures and measurement methodologies and be involved in identifying and managing the various business risks for the Property Business and the Financial Investments Services Business. All investments will be subject to discussion within the Risk Committee and approval from the Board.

The Risk Committee will endeavour to ensure that the risk management systems implemented are commensurate with the risk and business profile, nature, size and complexity of operations and business activities of the Property Business and the Financial Investments Services Business, and will review such risk management systems periodically to assess adequacy and effectiveness.

The Board and the Audit Committee, with the recommendations of the Risk Committee, will develop, adopt, and periodically review relevant internal controls policies to ensure the integrity of the Group's financial and accounting information, promote accountability and prevent fraud where necessary in response to any new projects undertaken by the Group pursuant to the Proposed Diversification.

Nevertheless, the risk management system and internal controls, no matter how sophisticated in design, may still be subject to misjudgement or fault. Accordingly, there is no assurance that the risk management system and internal controls will be fully effective.

3.8 Potential Conflict of interests and mitigating factors

When the Company identifies a potential opportunity, each of the Directors and key management personnel will be obliged to disclose to the Board where he/she have an interest (and the full extent thereof) in the transaction ("**Conflicted Individual**").

A Conflicted Individual may present the opportunity and join in the deliberation of the Board in relation to the transaction, but shall not vote in respect thereof.

2 The information has been reported in various news publication including: (1) The Straits Times on 30 April 2018: <https://www.straitstimes.com/business/property/singapore-still-needs-more-hotel-rooms-as-occupancy-to-stay-above-84-colliers>; (2) Singapore Business Review on 12 October 2018: <https://sbr.com.sg/hotels-tourism/news/chart-day-hotel-supply-plunges-10-year-low-in-2018-land-shortage-bites>; (3) Commercial Guru on 15 October 2018: <https://www.commercialguru.com.sg/property-management-news/2018/10/175487/hotel-supply-falls-to-10-year-low-amid-land-shortage>. (Accessed on 26 December 2018)

3 The information is derived from a report published by MAS "2017 Singapore Asset Management Survey Asian Hub for Fund Management and Domiciliation": <http://www.mas.gov.sg/~media/MAS/News%20and%20Publications/Surveys/Asset%20Management/2017%20AM%20Survey%20Report.pdf>. (Accessed on 26 December 2018)

LETTER TO SHAREHOLDERS

3.9 Risk factors associated with the Proposed Diversification

The Group could be affected by a number of risks that may relate to the Property Business, the Financial Investments Services Business, or risks that may relate to the markets in which the above mentioned businesses are intended to be engaged. Risks may arise from, *inter alia*, economic, business, market and political factors.

If any of the factors and/or uncertainties described below develops into actual events affecting the Property Business and/or the Financial Investments Services Business, this may have a material and adverse impact on the overall results of operations, financial condition and prospects of the Group.

To the best of the Directors' knowledge and belief, all the risk factors that are material to the Shareholders in making an informed decision on the Proposed Diversification are set out below.

The risks described below are not intended to be exhaustive and are not presented in any particular order of importance. There may be additional risks not presently known to the Company or are currently not deemed to be material. New risk factors may emerge from time to time and it is not possible for the management to predict all risk factors, nor can the Group assess the impact of all factors on the Proposed Diversification or the extent to which any factor or combination of factors may affect the Group.

Shareholders should carefully consider and evaluate the following risk factors and all other information contained in this Circular before deciding on whether to vote in favour of the Proposed Diversification. Shareholders should seek professional advice from your accountant, stock brokers, bank managers, solicitors or other professional advisers if you have any doubt about the actions you should take.

3.9.1 General Risk Factors associated with the Proposed Diversification

3.9.1.1 The Group may face difficulties in implementing and integrating the various new businesses that are intended to be undertaken pursuant to the Proposed Diversification

There can be no assurance that the Group will be successful in implementing and integrating the various new businesses that are intended to be undertaken pursuant to the Proposed Diversification. Delays in implementation and/or integration of the various new businesses into the Company may divert the Group's management attention and resources, delay the commencement of or prevent revenue growth in any of the businesses, which may materially and adversely affect the results of operations or financial position of the Group.

3.9.1.2 The Group is subject to general risks associated with operating businesses outside Singapore

The Group does not intend to venture overseas in the near term, but may do so when favourable opportunities are present subsequently. There are risks inherent in operating businesses overseas, which include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding the Group's liability and enforcement, changes in local laws and controls on the repatriation of capital or profits. Any of these risks could adversely affect the Group's overseas operations and consequently, its business, financial performance, financial condition and operating cash flow.

In addition, if governments tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currencies, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group will be adversely affected.

LETTER TO SHAREHOLDERS

3.9.1.3 The Group's performance in the new businesses will be subject to exposure to macro-economic risks

The business of the Group may be affected by many factors which are beyond the Group's control. Any of the following factors may cause fluctuations and/or declines in the markets in which the Group operates or invests:

- (a) legal and regulatory changes;
- (b) economic and political conditions;
- (c) the level and volatility of liquidity and risk aversion;
- (d) concerns about natural disasters, terrorism and war;
- (e) the level and volatility of equity, debt, property, commodity and other financial markets;
- (f) the level and volatility of interest rates and foreign currency exchange rates;
- (g) concerns over inflation; and
- (h) changes in investor confidence levels.

Any of the above-mentioned factors could adversely impact the performance of the Group.

3.9.2 Risk Factors associated with the Property Business

3.9.2.1 The Group has no established track record and operating history in the Property Business

The Group does not have a proven track record in carrying out the Property Business. There is no assurance that the Property Business will be commercially successful and that the investments carried out pursuant to the Property Business will be able to derive sufficient revenue to offset the capital, start-up and financing costs as well as operating costs arising from the new business initiatives.

The Property Business, in particular property investments and development, may require high capital commitments and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets or new businesses.

The Property Business also involves business risks including the financial costs of setting up new operations, capital investment and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the Property Business effectively, the overall financial position and profitability of the Group may be adversely affected.

3.9.2.2 The Group is subject to various government regulations in the Property Business

The property industry and in particular real property development, is subject to various laws and regulations. Real estate developers must comply with these various requirements mandated by applicable laws and regulations, including the policies and procedures established by local authorities designed for the implementation of such laws and regulations.

LETTER TO SHAREHOLDERS

For instance, in order to develop and complete a property development, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights documents, planning permits, construction permits, sale permits and certificates or confirmation of completion and acceptance. Each approval may be dependent on the satisfaction of certain conditions. If the Group fails to obtain the requisite approvals, it will be unable to undertake the relevant segment of the Property Business.

In the event that the Group acquires land and/or develops property, it may not be assured that the Group will not encounter problems in obtaining such approvals or in fulfilling the conditions required for obtaining the approvals, or that the Group will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the property industry in general or the particular processes with respect to the granting of approvals. If the Group fails to obtain relevant approvals or fulfil the conditions of those approvals for a significant number of the Group's property developments, these developments may not proceed on schedule, and the Group's business and financial performance may be adversely affected.

In relation to property management, the Group must comply with the applicable laws and regulations for example, in relation to workplace health and safety, environmental public health and environmental pollution control, failing which the Group may be subject to penalties, have its licences or approvals revoked, or lose its right to own, develop or manage its properties which may have a material and adverse impact on the Group's business, financial condition, results of operations and prospects.

Further, any changes in applicable laws and regulations could result in higher compliance costs, adversely affecting the operations of the Company and resulting in the Group making losses.

3.9.2.3 The Group may not have the ability or sufficient expertise to execute and grow the Property Business

The Group's ability to successfully diversify into the Property Business is dependent upon its ability to adapt its existing knowledge and expertise and to understand and navigate the Property Business. There is no assurance that the Group's existing experience and expertise will be sufficient for the Property Business, or that the employees hired by the Group to implement the Property Business will have the relevant experience and knowledge.

Having a team of experienced and skilled personnel is essential in maintaining the quality of services. There is no assurance that the Group will be able to attract and retain key members of the management team who have the necessary qualifications and experience to manage the Property Business. The loss of any key member of the management team without any suitable and/or timely replacement may have a material adverse effect on the financial condition and results of operations of the Group.

The Group may also appoint third party professionals, third party contractors, and/or foster partnerships with various third parties to assist it in undertaking the Property Business more effectively and efficiently. However, there is no assurance that these third party professionals and/or contractors will be able to deliver and/or that these partnerships will be successful. As such, the Group may not be able to successfully implement the Property Business and this may adversely affect the Group's financial performance and profitability.

LETTER TO SHAREHOLDERS

3.9.2.4 The Group may in the course of conducting the Property Business be exposed to risk of loss and potential liabilities that may not be covered by insurance

While the Group will, where appropriate, obtain insurance policies to cover losses with respect to its properties and business operations, the insurance obtained may not be sufficient to cover all potential losses. Examples of such potential losses include losses arising out of extraordinary events such as natural disasters like earthquakes or floods. Losses arising out of damage to the Group's assets, including materials required for property development, which are not covered by insurance policies in excess of the amount it is insured would affect the Group's profitability. The Group may also have to commit additional resources, other than to meet the uninsured losses, to complete a project, which would also adversely affect the financial performance of the Group.

3.9.2.5 The Group may face intense competition from existing competitors and new market entrants in the Property Business

The Property Business is highly competitive, with strong competition from established industry participants who may have larger financial resources or stronger track records.

In relation to property management, the Group may not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors who may have larger financial resources and/or stronger track records.

In relation to the investment and development of property, over-supply of properties may occur, resulting in significant decreases in property prices, which will adversely affect the Group's profitability and financial performance.

There is no assurance that the Group will be able to compete effectively with its existing and future competitors and adapt quickly to changing market conditions and trends. In the event that the Group is not able to compete successfully against its competitors or adapt to market conditions, its business operations, financial performance and financial condition may be adversely affected.

3.9.2.6 The Group is exposed to risks associated with acquisitions, joint ventures or strategic alliances

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the Property Business may involve acquisitions, joint ventures or strategic alliances with third parties.

Participation in joint ventures, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of attention of management from existing business operations and loss of capital or other investments deployed in such joint ventures, strategic alliances, acquisition or opportunities. In such events, the Group's financial performance may be adversely affected.

3.9.2.7 The Group is subject to risks inherent in investing in entities which it does not control and the manner in which it holds its investments and property interests

The Group may hold property investments through or make investments in entities that are not the Group's subsidiaries and over which the Group does not have majority control. The performance of these entities and the Group's share of their results are subject to the same or similar risks relating to the Property Business that affect the Group as described herein.

LETTER TO SHAREHOLDERS

There is no assurance that the Group will be able to influence the management, operation, performance and/or financial returns of these entities through its voting rights, in a manner which would be favourable to the Group, or at all. While the Group will carefully consider the merits of each investment (whether in a minority stake or otherwise) undertaken in accordance with its risk management procedures, any risk management and internal control system, no matter how sophisticated in design, may still contain inherent limitations caused by misjudgement or fault.

Accordingly, there is no assurance that any such investment undertaken by the Group under its Property Business, whether in a minority stake or otherwise, will be able to generate profits for the Group. If all or any of these entities were to perform poorly, the Group's overall business, financial condition, results of operations and prospects may be adversely affected.

3.9.2.8 The Group may not be able to meet the challenges presented by the Property Business

The success and growth of the Property Business will depend on the ability of the Group to meet the challenges presented by such business. The Group will be subject to the risks, uncertainties and problems frequently encountered by early-stage companies involved in a new business, which include, amongst others, failure to continue to expand the Group's property portfolio or order book without increased pressure on the Group's margins, failure to identify, attract, retain and motivate staff, inability to find the right joint venture, strategic or other business partnerships, and inability to manage expanding operations.

In addition, there is no assurance that the Group's profitability will increase or that the Group will not incur losses after the expenditure in relation to the development of the Property Business due to the potential increase in costs incurred to finance the growth and expansion of the Property Business. The increase in costs without a corresponding increase in revenue will have an adverse impact on the Group's financial performance.

3.9.3 Risk Factors associated with the Property Management Business

3.9.3.1 The Group is subject to risks for its proposed Property Management Business

Revenue for the property management business is derived from the property management fees collected from the residents in the developments where the Group intends to provide such service. The Group's intended range of property management services focuses on hotels, hostels and F&B outlets.

The Group intends to hire manpower, purchase materials and/or equipment required, or work with third party contractors to carry out such services. Should the cost of such manpower, materials, equipment, or third party contractors' fee increase and the Group is unable to pass on such increase in fees to the customers, the results of the Group's operations and financial condition could be materially and adversely affected. In addition, as the Group intends to provide its property management services on a pool basis, there has to be sufficient demand to allow for economies of scale to allow the cost of providing such services to be economically viable. The Group cannot make any assurance that it will secure and retain enough customers such that the Group will enjoy significant economies of scale required for the property management business to be economically viable.

3.9.3.2 The Group is subject to liquidity or late payment or non-payment risks for its Property Management Business

The Group faces uncertainties over the timeliness of customers' payments and their solvency or creditworthiness in respect of the payment for the property management services the Group provides. There is no assurance that the Group will be able to collect any payments on a timely basis, or at all. In the event that there are defaulting purchasers or a significant delay in collecting payments from purchasers, the Group may face stress on its liquidity and cash flow.

LETTER TO SHAREHOLDERS

Furthermore, some of the Group's customers may default on their payments to the Group, owing to events or circumstances that are difficult to anticipate or detect that would have an impact on the Group's customers' ability to make timely payments. As a result of the Group's customers defaulting on their payment to it, it would have to make provisions for doubtful debts, or to incur write-offs, which may have an adverse effect on its operating results and profitability.

3.9.4 Risk Factors associated with the Property Investment Business

3.9.4.1 The Group's financial condition may be affected by fluctuations in property prices

Property prices will fluctuate. Should property market prices experience a downward trend, the Group's earnings may be adversely affected as the Group may have to postpone the sale of such property development project units to a later date, if and when market conditions improve. In the event that the Group is required to sell its property development project units at lower prices, the Group's financial performance will be adversely affected.

3.9.4.2 The Group is exposed to risks associated with property valuations and decline in property values in its Property Investment Business

Valuations of the Group's properties conducted by professional valuers are based on certain assumptions and are not intended to be a prediction of, and may not accurately reflect, the actual values of these assets. The inspections of the properties and other works undertaken in connection with a valuation exercise may not identify all material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation.

In addition, unfavourable changes to the economic or regulatory environment or other relevant factors may negatively affect the premises upon which the valuations are based and hence, the conclusions of such valuations may be adversely affected. As such, the properties of the Group may not retain the price at which they may be valued or be realized at the valuations or property values which were recorded. The Group will apply fair value accounting standards in valuing its properties. The value of the properties of the Group may fluctuate from time to time due to market and other conditions. Such adjustments to the Group's shares of the fair value of the properties in the Group's portfolio could have an adverse effect on the net asset value and profitability of the Group.

3.9.5 Risk Factors associated with the Property Development Business

3.9.5.1 The Group's investments into its Property Development Business could be capital intensive and may not be profitable

The Group's future plans with regard to development of properties may not be profitable, may not achieve sales levels and profitability that justify the investments made or may take a long period of time before the Group could realize any return. The Group's property development activities may entail financial and operational risks, including diversion of management attention, difficulty in recruiting suitable personnel and possible negative impacts on the Group's existing business relationships with its clients who may also be property developers themselves.

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debt and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the business of the Group. The Group will face significant financial risks before it can realise any benefits from its future investments in property development.

LETTER TO SHAREHOLDERS

3.9.5.2 The Group may not be able to provide the capital investments needed to undertake projects identified by its Property Development Business

Property development requires substantial capital investments or cash outlay. There is no assurance that financing, either on a short term or a long term basis, will be made available or, if available, that such financing can be obtained on commercially reasonable terms, in which event the Group's future plans and growth prospects will be adversely affected.

Additional debt funding is subject to interest payments and interest rate fluctuations and may also be subject to conditions that restrict or require consent for corporate restructuring, additional financing or fund raising and requirements on the maintenance of certain financial ratios. These conditions may reduce the availability of the Group's cash flow for capital expenditures, working capital and other general corporate purposes. In addition, these conditions may limit the flexibility of the Group in planning for, or reacting to, changes in the business or industry and increase the Group's vulnerability to general adverse economic and industry conditions.

Additional equity financing may result in a dilution to Shareholders' equity interests and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price.

3.9.5.3 The Group may not be able to generate adequate returns from its Property Development business and this may result in losses and have an adverse impact on the Group's financial position

Property development is subject to varying degrees of risks. The returns available from the property development business depend, to a large extent, on the amount of capital appreciation generated. The ability to eventually dispose of properties at a profit will depend on market conditions and levels of liquidity, which may be limited or subject to significant fluctuations.

Further, completed projects and invested properties are relatively illiquid, and the Group may be unable to convert real estate asset portfolio into cash on short notice. To facilitate a sale of illiquid property assets on short notice, the Group may have to lower the selling price substantially. Illiquidity of property assets also limits the Group's ability to vary its portfolio in response to changes in economic or other conditions in a timely manner. In the event of any adverse change in market conditions or in the event of a need to lower the prices of properties to effect the sale of properties, the Group may not be able to sell its property projects or property investments at above its costs, resulting in the Group suffering losses on the project or property and adversely affecting the Group's financial position.

In addition, the revenue derived from the rental of the relevant properties may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, the inability to secure renewal of tenancies from tenants, the inability to collect rent due to bankruptcy or insolvency of tenants and the cost from ongoing maintenance, repair and re-letting. In the event that the Group acquires properties for investment and if the Group is unable to generate adequate returns from such investment properties that it acquires, its financial condition and results of operations may be adversely affected.

LETTER TO SHAREHOLDERS

3.9.5.4 The Group may face potential liability and claims arising from its Property Development Business

The time required to complete a property development or a property enhancement works project depends on various factors, including the size of the project, prevailing market conditions and availability of resources. Delays may arise due to various factors, including adverse soil conditions, adverse weather condition, unanticipated construction constraints at worksites, natural calamities, power failure, machinery and equipment breakdown, shortage of construction materials, shortage of labour, increase in the costs of labour, construction materials, equipment, rental and sub-contracting services, accidents, cessation of business of the Group's contractors, disputes with contractors and unexpected delay in obtaining required approvals. Such delays may result in cost overruns and increased financing costs and accordingly affect the Group's profitability or lead to claims for liquidated damages from purchasers of the properties or clients for property enhancement works projects. Accidents during the course of construction may give rise to personal injuries and third party liability. Where these costs overruns cannot be passed on to the property purchasers, the Group may have to absorb the cost overruns and may suffer losses on the project. As such, the Group's profitability and financial performance may be materially and adversely affected.

In addition, the Group may be involved from time to time in disputes with various parties such as purchasers, contractors, construction companies, consultants and other partners for various reasons, including differences in the interpretation of acceptable quality standards of workmanship, material used, adherence to contract specifications and costs of variation orders. These disputes may lead to legal and other proceedings. If the Group is unable to manage such risks, the Group's business and financial position will be affected if any compensation or damages is payable by the Group.

Further, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject the Group to administrative proceedings and unfavourable decrees that result in financial losses and delay the construction or completion of the Group's projects. Any project delays arising from the above will affect the Group's business and financial performance.

3.9.5.5 The Group's Property Development Business projects are dependent on the services rendered by contractors

The Group is expected to rely on main contractors and sub-contractors to provide various services for property development, including building construction works, piling and foundation works, structural works, architectural works and engineering works. The services rendered by the Group's contractors may not be satisfactory to the Group or meet the Group's requirements for quality.

Furthermore, the contractors engaged may experience financial or other difficulties that may affect their ability to carry out the work for which they are contracted to complete, thus delaying the completion of, or failing to complete, the projects and resulting in additional costs or exposures to the risk of liquidated damages to the Group. In the event of any loss or damage which arises from the default of such contractors, the Group may have to incur losses to rectify such defects, which may materially and adversely affect the Group's financial performance and financial condition.

LETTER TO SHAREHOLDERS

3.9.5.6 The Group is subject to the risks in relation to higher labour costs in its Property Development Business projects

The construction industry is highly labour intensive. Such skilled workers are usually employed by the Group's main contractors, third party sub-contractors and/or by the Group directly. Nevertheless, the Group's business operations are indirectly dependent on such skilled workers. There is no assurance that there will be an adequate supply of skilled workers that will provide adequate services for the Group's property development projects. The Group's operations and financial performance are therefore vulnerable to any shortage in the supply of skilled workers.

In the event of a shortage of such skilled workers in the construction industry, the completion of the construction of the Group's property development projects may be delayed, resulting in an increase in overheads which may adversely affect the Group's business operations and financial performance. In the event of any material increase in labour costs, the Group's contractors may pass on part or all of such additional costs to the Group. This will result in an increase in overheads which may adversely affect the Group's business operations, profitability and financial performance.

3.9.5.7 The Group may be dependent on the supply of foreign workers in its Property Development Business projects

The Group may from time to time be dependent on foreign workers. Foreign workers are usually employed by the Group's main contractors and/or third party sub-contractors. Nevertheless, the Group's business operations are indirectly dependent on foreign workers if there is any shortage of local workers in the construction industry.

The conditions imposed by the relevant authorities in relation to the employment of foreign workers may change from time to time. Generally, applications to employ foreign workers will only be considered when efforts to find qualified local workers have failed. In the event that there is a shortage of supply of foreign workers or a restriction is imposed on the number of foreign workers allowed to be employed by the Group's contractors for the Group's development projects, the completion of the construction of the Group's property development projects may be delayed due to such shortage of workers in carrying out the works at the Group's development, resulting in an increase in overheads which may adversely affect the Group's business operations and financial performance.

3.9.5.8 The Group is not able to ensure that it will be able to identify and acquire attractive sites in the future at commercially acceptable prices or identify and complete profitable projects in its Property Development Business

The Group will face competition for new land sites from other property developers and there is no assurance that suitable sites will always be available to the Group for the purposes of the Property Development Business. If the Group is not able to procure suitable land sites to carry out its property development projects, or carries out property development projects at less favorable locations that may not be as marketable, the Group's sales volume and profitability may be adversely affected.

The Group's performance is also dependent on its ability to identify profitable property development projects, and following such identification, to successfully complete such projects. The viability and profitability of the Group's property development projects are subject to fluctuations and are dependent on, amongst others, the demand for the Group's development projects, the pricing and number of property development projects and the overall schedules of the Group's projects which are in turn, to a large extent, affected by the market sentiment, market competition, general economic and property markets conditions, as well as government regulations.

LETTER TO SHAREHOLDERS

3.9.5.9 The Group is subject to risks resulting from market overhang in its Property Development Business

Property overhang is inherent in any uncontrolled property development in a particular area and is, among other things, caused by an oversupply and/or low demand for new property launches. Other factors contributing to property overhang include economic downturns and unfavourable financial conditions. Any occurrence of property overhang will affect property developers and may have a material and adverse effect on the Group's profitability.

3.9.5.10 The Group is subject to risks of late payment or non-payment by property purchasers in its Property Development Business

In relation to the development of commercial or residential properties, the Group may face uncertainties over the timeliness of purchasers' payments and their solvency or creditworthiness in respect of purchases of the Group's development properties.

There is no assurance that the Group will be able to collect any progress payments on a timely basis, or at all. In the event that there are defaulting purchasers or a significant delay in collecting progress payments from purchasers, the Group may face stress on its cash flow and a material increase in bad and doubtful debts, which will have an adverse impact on the Group's financial performance.

3.9.6 Risk Factors associated with the Financial Investments Services Business

3.9.6.1 The Group has no prior track record and operating experience in the financial services industry

The Group has no track record in the carrying out or implementation of the Financial Investments Services Business. There is no assurance that the Group's foray into the Financial Investments Services Business will be commercially successful and that the Group will be able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Financial Investments Services Business.

The Financial Investments Services Business may require high capital commitment and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets and new businesses.

The Financial Investments Services Business involves business risks including the financial costs of setting up new operations, capital investments, and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the Financial Investments Services Business effectively, the overall financial position and profitability of the Group may be adversely affected.

The Group will also be exposed to the risks associated with a different competitive landscape and a different operating environment. In particular, the Group may be affected by factors affecting the market in the regions where the Group ventures into, such as general economic conditions, changes in interest rates, and relevant government policies and measures.

The Group's future plans with regard to the Financial Investments Services Business may not be profitable, may not achieve sales levels and profitability that justify the investments made and may take a long period of time before the Group is able to realise any return. The activities of the Financial Investments Services Business may entail financial and operational risks, including diversion of the management's attention and difficulty in recruiting suitable personnel.

LETTER TO SHAREHOLDERS

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debts and contingent liabilities, as well as increased operating expenses, all of which may materially and adversely affect the financial performance of the Group. The Group may face significant financial risks before it is able to realise any benefits from its investments in the Financial Investments Services Business.

3.9.6.2 The Group may not be able to obtain the requisite registration and/or licence to engage in fund management

Upon Shareholders' approval for the Proposed Diversification, the Group may, if it does not manage to find a strategic partner with a Registered Fund Management License, decide to incorporate a new subsidiary to apply to MAS for the registration of the subsidiary as a RFMC.

The Group also intends to apply for various other requisite licences, permits, approvals and/or exemptions from the relevant authorities in the jurisdictions in which the Group may operate, in order to conduct the Fund Management Business. Any failure to obtain, maintain and/or renew the Group's licences, permits, approvals and/or exemptions may impede or hinder operations for the Group's Fund Management Business, and may adversely affect its prospects and business plans.

3.9.6.3 The Group will be subject to strict regulation and supervision by MAS for its Financial Investments Services Business

MAS is empowered to establish standards, codes, rules, and regulations to be observed by capital markets services providers, and regulate the conduct of these registrants and licensees in the provision of capital markets services. If a registrant or licensee is found to be in breach of any condition of its registration or licence, or any provision of any code, practice, standard of performance, regulation, or directive, MAS may issue a written order for compliance, impose a financial penalty, cancel the registration or licence or part thereof, suspend the registration or licence or part thereof for a specified period, or reduce the term of the registration or licence. In the event that the Group engages in, inter alia, the Fund Management Business, the Group will be subject to strict regulation and supervision by MAS. MAS may require the Company and/or a subsidiary of the Company to hold certain levels of assets or monies, to meet any risk-based capital adequacy requirements imposed by MAS. Further, MAS may impose requirements on the Company itself in its capacity as parent company, such as having the Company provide a letter of responsibility or letter of undertaking to MAS, and in such event the Company may be required to devote significant time and resources to overseeing a subsidiary's operations, financial position, compliance with laws, management, and other issues, and/or provide financial support for such a subsidiary's liquidity requirements or financial obligations. Also, in the event of any breach or alleged breach of any applicable law, rules, regulation, policy, practice, note or directive, the Group may be subject to various measures imposed by MAS, including but not limited to extended investigations, revocation or suspension of the Group's registrations and/or licences and/or substantial financial penalties. In such events, the Group's growth prospects, business operations and financial performance may be materially and adversely affected.

3.9.6.4 The Group's activities in the Financial Investments Services Business may be affected by regulatory changes

Any changes in the applicable regulatory framework may restrict or modify the range of services the Group is able to offer, or the fees the Group is able to charge for its Financial Investments Services Business. The Group may need to incur additional costs and/or modify its operations to ensure that they continue to comply with the changes to the regulatory framework. If any of these events occur, it may have a material and adverse effect on the Group's growth prospects, operations and/or financial performance.

LETTER TO SHAREHOLDERS

3.9.6.5 The Group's success in the Financial Investments Services Business will be heavily dependent on the quality of the professionals it manages to attract but there is no guarantee that the Group will be successful in attracting qualified professionals

The Group's existing management and workforce may not have sufficient resources, experience and necessary expertise in the Financial Investments Services Business. The Group may experience operational difficulties and its business operations and financial performance may be adversely affected.

The success of the Financial Investments Services Business will depend heavily upon attracting and retaining the continuing services of its management team and other key personnel. It may be difficult for the Group to attract and retain strong personnel for its Financial Investments Services Business due to the strong competition in the market for such personnel.

If the management is unable to attract or retain qualified personnel the Financial Investments Services Business may be disrupted, and the Group's financial position and results of operations may be materially and adversely affected.

3.9.6.6 The Group's Financial Investments Services Business may face competition from existing competitors and general market trends in the industry

The Financial Investments Services Business will face intense competition in its business, as a new entrant into the financial services industry that is characterised by well-known and established financial institutions providing the same services as it. Competition also arises from new entrants. If the Financial Investments Services Business is unable to compete effectively and successfully against the new entrants and existing competitors, its business, financial condition, results of operations and prospects could be adversely affected.

The Financial Investments Services Business may not be able to compete effectively with some of its competitors which may have greater financial, technical and marketing resources, stronger public relations expertise and longer operating track records than the Group's new Financial Investments Services Business. These competitors may also have the ability to adapt quicker to new or emerging technologies, respond faster to changes in customer preferences and devote more resources to the development of new investment strategies than the Group.

If the Group is not able to compete successfully against its competitors, its ability to derive revenue and/or profits from the Financial Investments Services Business and its financial condition and results of operations may be materially and adversely affected.

3.9.6.7 The Group may be affected by fluctuations in stock markets

Fluctuations in stock markets could affect the performance of the funds managed by the Group. Unstable and/or unfavourable market conditions may affect the value of the investments held by the funds managed by the Group. Lack of liquidity or price volatility may reduce the value of the funds managed by the Group, which in turn may result in a material adverse effect on the business, growth prospects, fee income, operations and/or financial performance of the Group's Financial Investments Services Business.

3.9.6.8 The Group cannot guarantee the performance of the funds it manages

The success of the Financial Investments Services Business depends on factors such as the Group's ability to accurately predict market conditions and developments, the Group's ability to perform the relevant research analysis of market trends, and the Group's ability to correctly interpret such market trends and other data/information.

LETTER TO SHAREHOLDERS

The Group cannot guarantee that the Group's investment strategies will be successful under all or any market conditions. In the event that the funds do not perform as envisioned, there may be a material adverse effect on the Group's reputation, fee income, business operations and financial performance.

3.10 Application of Chapter 10 of the Catalist Rules to the Proposed Diversification

As the Property Business and the Financial Investments Services Business are substantially different from the Group's Current Core Business, it is envisaged that the Proposed Diversification will change the existing risk profile of the Group. Accordingly, the EGM will be convened by the Company to seek Shareholders' approval for the Proposed Diversification.

Upon Shareholders' approval of the Proposed Diversification, any acquisition or disposal which is in, or in connection with, the Property Business and the Financial Investments Services Business, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Catalist Rules. Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the Property Business and the Financial Investments Services Business and which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential transactions relating to the Property Business and the Financial Investments Services Business arise. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

Notwithstanding that Shareholders' approval of the Proposed Diversification has been obtained,

- (a) Rule 1015 of the Catalist Rules will apply to acquisitions of assets (including options to acquire assets) whether or not in the Company's ordinary course of business (which will include the Property Business and the Financial Investments Services Business) and which results in any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeding 100% or results in a change in control of the Company. Such acquisitions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting; or
- (b) Part III of Practice Note 10A of the Catalist Rules will apply to acquisitions or disposals of assets (including options to acquire or dispose assets) which will change the risk profile of the Company. Such transactions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting.

Pursuant to Rule 1005 of the Catalist Rules, separate transactions completed within the last 12 months may also be aggregated and treated as if they were one transaction in determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004 of the Catalist Rules.

The Company will be required to comply with any applicable and prevailing Catalist Rules as amended or modified from time to time.

4 THE PROPOSED ADOPTION OF THE IPT GENERAL MANDATE

4.1 Background

As the Group has no prior experience in the Property Business, it is anticipated that the Group would, in the normal course of business, engage various Contemplated Associates to provide various services in connection with the Group's Property Business. Further, the Group intends to leverage on its familiarity with Contemplated Associates to provide relevant financial investments services for an extra source of revenue. The services to be obtained from and/or provided to the Contemplated Associates are expected to contribute a majority of the Group's revenue and/or costs for the Property Business and the Financial Investments Services Business.

LETTER TO SHAREHOLDERS

As such, the Directors are seeking Shareholders' approval for the Proposed Adoption of the IPT General Mandate. Shareholders' approval in relation thereto as set out as Ordinary Resolution 2 in the Notice of EGM on pages 48 to 50 of this Circular will be sought at the EGM.

Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its subsidiaries or associated companies (known as an **"entity at risk"**) enters into or proposes to enter into with a party who is an **"interested person"** of the listed company. The objective of Chapter 9 (as stated in Rule 901 of the Catalist Rules) is to guard against the risk that such interested persons could influence a listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders.

Rule 920 of the Catalist Rules allows a listed company to seek a general mandate from its shareholders for recurrent transactions with interested persons where such transactions are of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses.

This Section 4 is intended to provide Shareholders with information relating to, and to explain the rationale for, the Proposed Adoption of the IPT General Mandate.

4.2 The IPT General Mandate

4.2.1 Class of Interested Persons

The Company proposes to adopt the IPT General Mandate for transactions carried out with the associates of:

- (i) Tan Pei Hong, Alex (Chen Peifeng), the Executive Director, Chief Executive Officer and Substantial Shareholder of the Company;
- (ii) Tan Theng Hong, Amos, a Substantial Shareholder of the Company;
- (iii) Chiu Joon Sun (Zhao Junsheng), an Executive Director of the Company.

It is anticipated that the Company may, in its ordinary course of business, provide or obtain the categories of services set out in Section 4.2.2 below from the associates of (i) Tan Pei Hong, Alex (Chen Peifeng), (ii) Tan Theng Hong, Amos and (iii) Chiu Joon Sun (Zhao Junsheng) (**"Contemplated Associates"**).

The Contemplated Associates are:

- (a) Tan Koo Chuan, the father of Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos;
- (b) any companies in which Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos and/or their immediate family (directly or indirectly) have an interest of 30% or more; and
- (c) OneWealth Development Pte. Ltd. (**"OneWealth"**).

For the avoidance of doubt, Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos are siblings and Tan Koo Chuan is their father. As a result, (a) Tan Koo Chuan and (b) any companies in which Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos and their immediate family (directly or indirectly) have an interest of 30% or more are "interested person" within the meaning of Chapter 9 of the Catalist Rules.

LETTER TO SHAREHOLDERS

OneWealth is a RFMC. As a RFMC, OneWealth may carry out the business of fund management in Singapore on behalf of not more than 30 qualified investors (as defined in the SF(LCB)R), of which not more than 15 may be collective investment schemes, closed-end funds, or limited partnerships, and the total value of the assets managed by OneWealth shall not exceed S\$250 million. RFMC will not be involved with retail investors. As at the Latest Practicable Date, Chiu Joon Sun (Zhao Junsheng), Executive Director of the Company, owns 100% of OneWealth. Consequently, OneWealth is an “interested person” within the meaning of Chapter 9 of the Catalyst Rules.

4.2.2 Nature of the Interested Person Transactions contemplated under the IPT General Mandate

The interested person transactions to which the IPT General Mandate will apply relate to the Group’s provision to and/or obtaining from Contemplated Associates recurrent transactions of a revenue or trading nature or which are necessary for its day-to-day operations but not in respect of the purchase or sale of assets, undertakings or businesses.

The categories to which the IPT General Mandate shall apply are set out below.

(i) Property management services pursuant to the Group’s Property Management Business

The first category of interested person transactions relates to both the provision to and/or obtaining from Contemplated Associates property management services pursuant to the Group’s Property Management Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in Section 3.2 above).

(ii) Project management services pursuant to the Group’s Property Development Business

The second category of interested person transactions relates to both the provision to and/or obtaining from Contemplated Associates project management services pursuant to the Group’s Property Development Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in Section 3.2 above).

(iii) Financial investments services

The third category of interested person transactions relates to both the provision to and/or obtaining from Contemplated Associates financial investments services in the normal course of the Group’s Financial Investments Services Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in Section 3.2 above).

(iv) Sales and marketing services for projects of the Group pursuant to its Property Business and Financial Investments Services Business

The fourth category of interested person transactions relates to both the provision to and/or obtaining from Contemplated Associates sales, purchase and marketing services for the Group’s projects pursuant to its Property Business and Financial Investments Services Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in Section 3.2 above).

4.2.3 The Rationale for and Benefits to the Group

As mentioned in Section 4.2.1 of this Circular, the Group has no prior experience in the Property Business, and hence, it is anticipated that the Group would, in the normal course of business, engage various Contemplated Associates to provide various services in connection with the Group’s Property Business. The Contemplated Associates from whom the Group chooses to obtain relevant services, as described in Section 4.2.2 above, will be persons whom have significant experience in the Singapore property industry.

The Group may over time develop business know-how and expertise to be able to provide services to Contemplated Associates and may choose to do so where profitable opportunities arise.

LETTER TO SHAREHOLDERS

Additionally, the Group intends to leverage on its familiarity with Contemplated Associates to provide relevant financial investments services for an extra source of revenue.

In view of the time-sensitive and recurrent nature of commercial transactions, and the need for smooth and efficient conduct of business, it would be advantageous for the Group to obtain the IPT General Mandate to enter into the categories of interested person transactions as specified in Section 4.2.2 of this Circular with Contemplated Associates, provided that all such transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. This will substantially reduce the time and expenses associated with convening general meetings, improve administrative efficacy, and allow resources and time to be focused towards other corporate and business opportunities.

4.2.4 Guidelines and Review Procedures for Interested Person Transactions

Any proposed Transaction between the Company and Contemplated Associates shall be subject to the guidelines and review procedures as set out in this Section 4.2.4 (“**IPT Guidelines and Review Procedures**”).

A. Review Procedures

To ensure that all future interested person transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, subject to the IPT Review Procedure Thresholds as set out in Section 4.2.4B below, the following procedures will be implemented by the Group for any Transaction with any Contemplated Associate (“**IPT Review Procedures**”):

Obtaining of services

- (a) When obtaining services from any Contemplated Associate, the management of the Company shall obtain at least 2 other quotations from unrelated third parties for the same or substantially similar type of services, contemporaneously in time, for comparison.
- (b) The management shall, prior to the obtaining of services from any Contemplated Associate, ensure that the fees and terms of the services offered to the Company are not less favourable as compared to the quotations obtained from unrelated third parties, after taking into account relevant factors including, but not limited to:
 - (1) (in relation to the Property Business) track record, reputation, preferential access to projects and buyers, cost savings, preferential rates or discounts, credit terms, project schedule, speed of mobilisation, complexity and availability of resources for the implementation of projects under the Property Business, where relevant; and
 - (2) (in relation to the Financial Investments Services Business) track record and reputation of the investment manager, relevant risk-reward profile of the investments, prevailing fees payable for similar investments, size and composition of the investments, tenure of investments, historical performance of the investments and preferential rates, where relevant.
- (c) In circumstances where it is impractical or impossible to obtain comparable quotations of contemporaneous transactions of similar or substantially similar type of services due to the nature of the services to be obtained from the Contemplated Associates, any 2 of the Chief Financial Officer or the Directors with no interest, direct or indirect, in the proposed interested person transactions will take such necessary steps which would include but not be limited to (i) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided by the Contemplated Associates are fair and reasonable and in accordance with general

LETTER TO SHAREHOLDERS

industry practice, and (ii) evaluate and weigh the benefits of and rationale for transacting with the Contemplated Associates, taking into account relevant factors including, but not limited to:

- (1) (in relation to the Property Business) track record, reputation, preferential access to projects and buyers, cost savings, preferential rates or discounts, credit terms, project schedule, speed of mobilisation, complexity and availability of resources for the implementation of projects under the Property Business, where relevant; and
- (2) (in relation to the Financial Investments Services Business) track record and reputation of the investment manager, relevant risk-reward profile of the investments, prevailing fees payable for similar investments, size and composition of the investments, tenure of investments, historical performance of the investments and preferential rates, where relevant.

Provision of services

- (d) When providing services to any Contemplated Associate, all interested person transactions will be carried out at the prevailing market rates or fees charged by the Group for the same or substantially similar type of services and on terms which shall be no more favourable than the usual commercial terms extended to other unrelated third party customers. The management of the Company shall ensure that any such provision of services shall be conducted in accordance with the Group's usual business practices and pricing policies, consistent with the usual margins or fees extended by the Group to unrelated third parties for the same or substantially similar type of transactions, after taking into account relevant factors including, but not limited to:
 - (1) (in relation to the Property Business) customer requirements, complexity and availability of resources required for the provision of services, creditworthiness, project schedule, duration of contract and preferential rates or discounts, where relevant; and
 - (2) (in relation to the Financial Investments Services Business) size and composition of the investments, tenure of investments and preferential rates, where relevant.
- (e) In circumstances where the prevailing market rates or fees are not available, any 2 of the Chief Financial Officer or the Directors with no interest, direct or indirect, in the proposed interested person transactions will take such necessary steps which would include but not be limited to (i) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided to the Contemplated Associates are fair and reasonable and in accordance with general industry practice, and (ii) evaluate and weigh the benefits of and rationale for transacting with the Contemplated Associates, taking into account relevant factors including, but not limited to:
 - (1) (in relation to the Property Business) customer requirements, complexity and availability of resources required for the provision of services, creditworthiness, project schedule, duration of contract and preferential rates or discounts, where relevant; and
 - (2) (in relation to the Financial Investments Services Business) size and composition of the investments, tenure of investments and preferential rates, where relevant.

LETTER TO SHAREHOLDERS

B. Review Procedure Thresholds

The following thresholds shall apply to any Transactions between the Company and Contemplated Associates (“**IPT Review Procedure Thresholds**”):

- (a) Where the value of each interested person transaction is less than 3% of the Group’s latest audited NTA, the interested person transaction shall require the prior approval of the Chief Financial Officer or a Director (or equivalent persons), who does not have any interest, direct or indirect, in the transaction;
- (b) Where the individual or the aggregate value of the interested person transaction(s) is equal to or more than 3% but less than 5% of the Group’s latest audited NTA, the interested person transaction(s) shall require the prior approval of any 2 of the Chief Financial Officer or the Directors (or equivalent persons), who do not have any interest, direct or indirect, in the transaction(s); and
- (c) Where the individual or the aggregate value of the interested person transaction(s) is equal to or more than 5% of the Group’s latest audited NTA, the interested person transaction(s) shall require the prior approval of the Audit Committee. For the avoidance of doubt, the Audit Committee shall review and approve the latest and all such subsequent interested person transactions in that particular financial year.

The IPT Review Procedure Thresholds balance the need for efficiency in the conduct of business on the one hand and the need to safeguard minority Shareholders’ interest on the other. The Audit Committee will consider the revision of the IPT Review Procedure Thresholds as and when necessary and appropriate.

C. External and Internal Audit Safeguards for Transactions with Contemplated Associates

The annual external audit plan of the Company shall incorporate a review of interested person transactions entered into in the relevant financial year pursuant to the IPT General Mandate.

The Group’s annual or periodic (such period as may be decided by the Audit Committee) internal audit plan shall incorporate a half yearly review of all interested person transactions (including the interested person transactions under the IPT General Mandate) and the IPT Guidelines and Review Procedures for the monitoring of the interested person transactions entered into during the period under review. The internal auditors will report directly to the Audit Committee.

The findings by the external and internal auditors will be submitted to the Audit Committee to ensure, *inter alia*, that the interested person transactions have been carried out on normal commercial terms and were not prejudicial to the interests of the Company and its minority Shareholders, and that the relevant approvals have been obtained.

D. List and Register of Interested Person Transactions

In addition, the Company will maintain a list of interested persons (which will be updated immediately if there are any changes) and will disseminate the list to the relevant staff of the companies within the Group to enable the identification of the interested persons. The list of interested persons which is maintained by the Chief Financial Officer shall be reviewed by the Audit Committee on a quarterly basis.

LETTER TO SHAREHOLDERS

A register will also be maintained by the Company to record all interested person transactions, including interested person transactions below S\$100,000 (“**IPT Register**”). The IPT Register shall contain the information pertinent to the evaluation of the interested person transactions including, but not limited to, details on the identity of the Contemplated Associates, the amount of the interested person transactions, and the basis (including the comparative quotations and other supporting evidence obtained to support such basis) on which the transactions are entered into. The IPT Register shall be prepared, maintained and monitored by the Chief Financial Officer (who does not have an interest in any of the interested person transactions) and who is duly delegated to do so by the Audit Committee. The Chief Financial Officer will also highlight any discrepancies or significant variances from the Group’s usual business practices and pricing policies to the Audit Committee.

E. Audit Committee Review

The Audit Committee shall, on a quarterly basis, review the interested person transactions in the IPT Register and the internal control procedures on interested person transactions (including the interested person transactions under the IPT General Mandate) to ensure that the interested person transactions were conducted on normal commercial terms and were not prejudicial to the interests of the Company and its minority Shareholders and that the IPT Guidelines and Review Procedures have been complied with.

The Audit Committee shall determine if the IPT Guidelines and Review Procedures are adequate and/or commercially practicable in ensuring that the interested person transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. It shall take into account all relevant factors (quantitative and non-quantitative). The relevant supporting documents or such other data as may be deemed necessary by the Audit Committee, shall be made available to the Audit Committee when so requested. In the event that a member of the Audit Committee is interested in any such transaction, he/she will abstain from participating in the review and approval process in relation to that particular transaction.

Pursuant to Rule 920(1)(b)(vii) of the Catalist Rules, if during any of its periodic reviews, the Audit Committee is of the opinion that the IPT Guidelines and Review Procedures are inappropriate or not sufficient to ensure that interested person transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, it will, in consultation with the Board, take such actions as it deems proper in respect of such guidelines and review procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from its Shareholders, where applicable, based on new guidelines and review procedures for interested person transactions. During the period prior to obtaining a fresh mandate from Shareholders, all transactions with interested persons will be subject to prior review and approval by the Audit Committee.

The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources, advisers (such as an independent financial adviser) or valuers to provide additional information, advice or opinion pertaining to the transactions approved or under review or to be advised on whether the IPT Guidelines and Review Procedures are appropriate and sufficient to ensure that the interested person transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders and the outcome of such review, where applicable, shall be submitted to the Audit Committee and documented.

Any member of the Audit Committee who is not considered independent in respect of the interested person transactions under the IPT General Mandate shall abstain from voting on any respective resolution and/or abstain from participating in the Audit Committee’s decision during its review of the IPT Guidelines and Review Procedures or during its review or approval of any interested person transactions.

LETTER TO SHAREHOLDERS

The Board will also ensure that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Catalyst Rules and accounting standards, are complied with.

4.2.5 Disclosure of Interested Person Transactions

The Company will announce the aggregate value of interested person transactions conducted with each Contemplated Associate pursuant to the IPT General Mandate for each financial period which the Company is required to report on pursuant to Rule 705 of the Catalyst Rules and within the time required for the announcement of such report in accordance with Rule 920(1)(a)(ii) of the Catalyst Rules.

Disclosures will also be made in the annual report of the Company of the aggregate value of the interested person transactions conducted with Contemplated Associates pursuant to the IPT General Mandate during FY2019, and in the annual reports for the subsequent financial years during which the IPT General Mandate is in force in accordance with Rule 920(1)(a)(i) of the Catalyst Rules.

4.2.6 Independent Financial Adviser's Opinion

Novus Corporate Finance Pte. Ltd. has been appointed as the IFA to advise the Recommending Directors on whether the IPT Guidelines and Review Procedures for determining the transaction prices of the interested person transactions, if adhered to, are sufficient to ensure that the interested person transactions under the IPT General Mandate will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders.

Having regard to, *inter alia*, the IPT Guidelines and Review Procedures set up by the Company, the role of the Audit Committee in enforcing the IPT Guidelines and Review Procedures for the interested person transactions under the IPT General Mandate and the rationale for and benefits of the IPT General Mandate to the Group, the IFA is of the opinion that the IPT Guidelines and Review Procedures for determining the transaction prices of the interested person transactions under the IPT General Mandate as set out in Section 4.2.4 above, if adhered to, are sufficient to ensure that the interested person transactions under the IPT General Mandate will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The IFA's letter to the Recommending Directors dated 9 January 2019 is reproduced as Appendix A to this Circular. The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, its IFA Letter to the Recommending Directors dated 9 January 2019 and all references thereto, in the form and context in which they appear in this Circular.

Shareholders are advised to read and consider the IFA Letter in its entirety as reproduced in Appendix A to this Circular.

4.2.7 Statement from the Audit Committee

Having reviewed the terms, rationale for and benefit of the proposed IPT General Mandate as set out in Section 4 of this Circular, the Audit Committee confirms that it concurs with the view of the IFA, as set out in the IFA Letter, and is satisfied that the guidelines and procedures contained herein are sufficient to ensure that interested person transactions with any Contemplated Associates will be made on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

4.2.8 Abstention from Voting

Pursuant to Rule 920(1)(b)(vii) of the Catalyst Rules, Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos and Chiu Joon Sun (Zhao Junsheng) will abstain, and have undertaken to ensure that their associates will abstain, from voting on Ordinary Resolution 2 in relation to the Proposed Adoption of the IPT General Mandate. Consequently the following persons will abstain from voting their Shares (if any) in respect of the IPT General Mandate: (i) Tan Pei Hong, Alex (Chen Peifeng); (ii) Tan Theng Hong, Amos; (iii) Goldhill Trust Pte. Ltd; (iv) Tan Koo Chuan, (v) any other associate of Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos, or Goldhill Trust Pte. Ltd.; (vi) Chiu Joon Sun (Zhao Junsheng); (vii) OneWealth; and (viii) any other associate of Chiu Joon Sun (Zhao Junsheng).

LETTER TO SHAREHOLDERS

In addition, the Company:

- (i) will procure that:
 - (a) Tan Pei Hong, Alex (Chen Peifeng);
 - (b) Tan Theng Hong, Amos;
 - (c) Goldhill Trust Pte. Ltd.;
 - (d) Tan Koo Chuan;
 - (e) any other associate of Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos, or Goldhill Trust Pte. Ltd.;
 - (f) Chiu Joon Sun (Zhao Junsheng);
 - (g) OneWealth; and
 - (h) any other associate of Chiu Joon Sun (Zhao Junsheng),

will also decline to accept appointment as proxy for any Shareholder to vote in respect of the IPT General Mandate, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the IPT General Mandate; and

- (ii) will disregard votes cast by
 - (a) Tan Pei Hong, Alex (Chen Peifeng);
 - (b) Tan Theng Hong, Amos;
 - (c) Goldhill Trust Pte. Ltd.;
 - (d) Tan Koo Chuan;
 - (e) any other associate of Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos, or Goldhill Trust Pte. Ltd.;
 - (f) Chiu Joon Sun (Zhao Junsheng);
 - (g) OneWealth; and
 - (h) any other associate of Chiu Joon Sun (Zhao Junsheng),

in respect of their holdings of Shares (if any) in relation to the Proposed Adoption of the IPT General Mandate.

4.2.9 Validity Period of the IPT General Mandate

The IPT General Mandate will take effect from the passing of the ordinary resolution relating thereto at the EGM, and will (unless revoked or varied by the Company in a general meeting) continue in force until the date on which the next AGM of the Company is held or is required by law to be held, whichever is the earlier.

Approval from Shareholders will be sought for the renewal of the IPT General Mandate at the next AGM and at each subsequent AGM subject to satisfactory review by the Audit Committee of its continued application to the transactions with interested persons.

LETTER TO SHAREHOLDERS

5 INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS IN THE PROPOSED RESOLUTIONS

The interests of Directors and Substantial Shareholders in the Shares of the Company as at the Latest Practicable Date, are as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Tan Pei Hong, Alex (Chen Peifeng) ⁽³⁾	–	–	78,928,572	93.41
Chiu Joon Sun (Zhao Junsheng)	–	–	–	–
Zachary Tan Lian Chye	–	–	–	–
Chee Teck Kwong Patrick	–	–	–	–
Low Chin Parn Eric	–	–	–	–
Wan Tai Foong	–	–	–	–
Substantial Shareholders (other than Directors)				
Goldhill Trust Pte. Ltd. ⁽²⁾⁽⁴⁾	78,928,572	93.41	–	–
Tan Theng Hong, Amos ⁽³⁾	–	–	78,928,572	93.41

Notes:

- (1) Based on 84,498,000 issued Shares as at the Latest Practicable Date.
- (2) On 8 October 2018, Goldhill Trust Pte. Ltd. (“**Goldhill**”) made a mandatory unconditional cash offer (“**Offer**”) for all the Shares of the Company other than those already owned, controlled or agreed to be acquired by Goldhill and the parties acting in concert with it. At the close of the Offer at 5.30 p.m. (Singapore time) on 20 November 2018 and as at the Latest Practicable Date, the total number of Shares held by Goldhill is 78,928,572 amounting to 93.41% of the issued and paid up share capital of the Company.
- (3) Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos each owns 50% of the issued share capital of Goldhill. As such, they are both deemed to be interested in the Shares of the Company owned by Goldhill pursuant to Section 4 of the Securities and Futures Act.
- (4) Since the close of Offer, the Company has been suspended from trading on the SGX-ST as the total number of Shares held by members of the public fell below 10%. In order for the Company to restore trading on the SGX-ST, Goldhill is in the midst of placing out some of its Shares to members of the public in order to meet Rules 723 and 1104 of the Catalist Rules.

Save as disclosed in this Circular, none of the Directors and Substantial Shareholders have any interest, direct or indirect, in the Proposed Change of Name, Proposed Diversification and/or the Proposed Adoption of the IPT General Mandate other than through their respective shareholdings in the Company.

6 DIRECTORS’ RECOMMENDATION

In giving the recommendations below, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment objectives and profiles, the Directors recommend that any Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

LETTER TO SHAREHOLDERS

6.1 Proposed Change of Name

Having fully considered the matters set out in Section 2 of this Circular, the Directors are of the opinion that the Proposed Change of Name is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the special resolution in respect of the Proposed Change of Name to be proposed at the EGM.

6.2 Proposed Diversification

Having fully considered the matters set out in Section 3 of this Circular, the Directors are of the opinion that the Proposed Diversification is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution approving the Proposed Diversification of the business of the Group to include the Property Business and the Financial Investments Services Business as set out in the Notice of EGM.

6.3 Proposed Adoption of the IPT General Mandate

Having fully considered the scope, the IPT Guidelines and Review Procedures and the opinion of the IFA as set out in the IFA Letter, the Recommending Directors are of the opinion that the interested person transactions with the Contemplated Associates will be made on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Taking into account the rationale and the benefits of the IPT General Mandate as set out in Section 4 of this Circular, the Recommending Directors are of the opinion that the Proposed Adoption of the IPT General Mandate is in the best interests of the Company.

Accordingly, the Recommending Directors recommend that Shareholders vote in favour of the Proposed Adoption of the IPT General Mandate.

7 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held at 9 Kent Ridge Drive, Singapore 119241, Kent Ridge Guild House, Cluny Room, Level 2 on 31 January 2019 at 11.00 a.m. (or soon thereafter following the conclusion or adjournment of the AGM of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the special resolution and ordinary resolutions set out therein.

8 ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote on their behalf will find enclosed with this Circular, a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible. The Proxy Form must be deposited at the registered office of the Company at 80 Raffles Place #32-01 UOB Plaza 1 Singapore 048624, not less than 72 hours before the time appointed for the EGM.

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. In such an event, the Proxy Form will be deemed to be revoked.

8.2 Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the time fixed for the EGM.

LETTER TO SHAREHOLDERS

9 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Change of Name, Proposed Diversification, Proposed Adoption of the IPT General Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

10 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the annual reports of the Company containing the audited financial statements of the Company and the Group for FY2015, FY2016 and FY2017;
- (b) the unaudited full year financial statement for FY2018;
- (c) the Constitution;
- (d) the announcements in relation to the Disposal of Business dated 9 February 2018, 8 March 2018, 21 March 2018, 23 March 2018, 12 April 2018 and 20 April 2018;
- (e) the IFA Letter; and
- (f) the IFA's letter of consent referred to in Section 4.2.6 above.

Yours faithfully
For and on behalf of
the Board of Directors of
Chew's Group Limited

Zachary Tan Lian Chye
Non-Executive Non-Independent Chairman

**APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS
IN RELATION TO THE IPT GENERAL MANDATE**

NOVUS CORPORATE FINANCE PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201723484W)

9 Raffles Place
#17-05 Republic Plaza Tower 1
Singapore 048619

9 January 2019

To: The Recommending Directors of Chew's Group Limited
(in respect of the IPT General Mandate (as defined below))

Zachary Tan Lian Chye
Chee Teck Kwong Patrick
Low Chin Parn Eric
Wan Tai Foong

Dear Sirs,

**THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR INTERESTED PERSON
TRANSACTIONS**

Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 9 January 2019 (the "Circular") shall have the same meanings herein.

1. INTRODUCTION

Chew's Group Limited (the "**Company**") is proposing to seek approval from its shareholders (the "**Shareholders**") for, *inter alia*, the proposed adoption of a general mandate for certain interested person transactions (the "**IPT General Mandate**").

Novus Corporate Finance Pte. Ltd. ("**NCF**") has, in accordance with Chapter 9 of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst (the "**Catalist Rules**"), been appointed as the independent financial adviser (the "**IFA**") as required under Rule 920(1)(b)(v) of the Catalyst Rules to provide an opinion on whether the review procedures for determining the transaction prices of the interested person transactions (the "**IPT Guidelines and Review Procedures**") pursuant to the IPT General Mandate (the "**Interested Person Transactions**"), if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders (as defined herein).

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Catalyst Rules as well as for the use by the directors of the Company (the "**Directors**") who are deemed to be independent in respect of the IPT General Mandate (the "**Recommending Directors**") in their consideration of the IPT General Mandate. This letter will be incorporated as Appendix A to the Circular which provides, *inter alia*, details of the IPT General Mandate and the opinion of the audit committee of the Company (the "**Audit Committee**") thereon.

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

2. TERMS OF REFERENCE

We were neither a party to the negotiations entered into by the Company in relation to the transactions contemplated under the IPT General Mandate nor were we involved in the deliberations leading up to the decision of the Directors to seek the approval of the Shareholders who are deemed to be independent in respect of the IPT General Mandate (the “**Independent Shareholders**”) for the adoption of the IPT General Mandate. We do not, by this letter, warrant the merits of the IPT General Mandate other than to form an opinion, for the purposes of Chapter 9 of the Catalist Rules, on whether the IPT Guidelines and Review Procedures, if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. We have not conducted a comprehensive review of the business, operations or financial condition of the Company and its subsidiaries (collectively, the “**Group**”).

For the purposes of arriving at our opinion in respect of the IPT General Mandate, we have, as the IFA appointed under Rule 920(1)(b)(v) of the Catalist Rules, taken into account the IPT Guidelines and Review Procedures set up by the Company for determining the transaction prices of the Interested Person Transactions pursuant to the IPT General Mandate but have not evaluated, and have not been requested to comment on, the strategic or commercial merits or risks of the IPT General Mandate or the prospects or earnings potential of the Company or the Group, and such evaluation shall remain the sole responsibility of the Directors.

We were also not required or authorised to obtain, and we have not obtained, any quotation or transacted prices from third parties for services similar to those which are to be covered by the IPT General Mandate, and therefore are not able to and will not compare the transactions covered by the IPT General Mandate to similar transactions with third parties.

In the course of our evaluation of the IPT General Mandate, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company and/or the Group. We have also relied on the information and representations, whether written or verbal, provided by the Directors and the Company’s management. We have not independently verified such information or representations and accordingly cannot and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary in assessing the information and representations provided to us and have found no reason to doubt the accuracy or reliability of the information and representations.

We have relied upon the representations of the Directors that, upon making all reasonable enquiries and to the best of their respective knowledge, information and belief, all material information in connection with the IPT General Mandate, the Company and/or the Group has been disclosed to us, that such information is true, complete and accurate in all material aspects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company and/or the Group stated in the Circular to be inaccurate, incomplete or misleading in any material aspect.

Our opinion, as set out in this letter, is based upon the market, economic, political, industry, monetary and other applicable conditions subsisting on, and the information made available to us as of, 3 January 2019 (the “**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

In arriving at our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profile or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise the Recommending Directors to recommend that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). Accordingly, we take no responsibility for and state no views, express or implied, on the contents of the Circular (other than this letter).

Our opinion in respect of the IPT General Mandate should be considered in the context of the entirety of this letter and the Circular.

3. BACKGROUND

Upon the approval of Shareholders for the proposed diversification of the Group's business being obtained at the extraordinary general meeting (the "**EGM**"), the Group intends to expand its current core business to include (a) the Property Business (as defined below); and (b) the Financial Investments Services Business (as defined below) as and when appropriate opportunities arise (the "**Proposed Diversification**").

The property business is intended to consist of (a) investments into various properties for rental income and/or capital growth (the "**Property Investment Business**"); (b) management of various properties, with a focus on hotels, hostels and F&B outlets, for the collection of fees for the provision of property related services and facilities (the "**Property Management Business**"); and (c) property development activities including acquisition, development and/or sale of commercial and residential properties and hotels (the "**Property Development Business**", and together with the Property Investment Business and the Property Management Business, collectively, the "**Property Business**"). The Company intends to focus its Property Business efforts initially in Singapore because the management team is familiar with and has a wide network of business associates to leverage in seeking out profitable opportunities in Singapore's property industry. The Company may subsequently venture overseas when suitable opportunities arise

The financial investments services business is intended to consist of (a) fund management, within the meaning of the Securities and Futures Act, which means managing the property of, or operating a collective scheme, or undertaking on behalf of customers (whether on a discretionary authority granted by the customer or otherwise) the management of a portfolio of capital markets products (the "**Fund Management Business**"); and (b) wealth management and family office advisory services (collectively, the "**Financial Investments Services Business**"). Please refer to section 3 of the Circular for more information on the Proposed Diversification.

As the Group has no prior experience in the Property Business, it is anticipated that the Group would, in the normal course of business, engage various Contemplated Associates (as defined herein) to provide various services in connection with the Group's Property Business. Further, the Group intends to leverage on its familiarity with Contemplated Associates to provide relevant financial investments services for an extra source of revenue. The services to be obtained from and/or provided to the Contemplated Associates are expected to contribute a majority of the Group's revenue and/or costs for the Property Business and the Financial Investments Services Business.

As such, the Directors are seeking Shareholders' approval for the proposed adoption of the IPT General Mandate. Shareholders' approval in relation thereto will be sought at the EGM.

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

4. RATIONALE FOR AND BENEFITS OF THE IPT GENERAL MANDATE TO THE GROUP

The full text of the rationale for and benefits of the IPT General Mandate to the Group can be found in section 4.2.3 of the Circular and has been reproduced in italics below:

“As mentioned in Section 4.2.1 of this Circular, the Group has no prior experience in the Property Business and hence, it is anticipated that the Group would, in the normal course of business, engage various Contemplated Associates to provide various services in connection with the Group’s Property Business. The Contemplated Associates from whom the Group chooses to obtain relevant services, as described in Section 4.2.2 above, will be persons whom have significant experience in the Singapore property industry.

The Group may over time develop business know-how and expertise to be able to provide services to Contemplated Associates and may choose to do so where profitable opportunities arise.

Additionally, the Group intends to leverage on its familiarity with Contemplated Associates to provide relevant financial investments services for an extra source of revenue.

In view of the time-sensitive and recurrent nature of commercial transactions, and the need for smooth and efficient conduct of business, it would be advantageous for the Group to obtain the IPT General Mandate to enter into the categories of interested person transactions as specified in Section 4.2.2 of this Circular with Contemplated Associates, provided that all such transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. This will substantially reduce the time and expenses associated with convening general meetings, improve administrative efficacy, and allow resources and time to be focused towards other corporate and business opportunities.”

5. CLASSES OF INTERESTED PERSONS

The Company proposes to adopt the IPT General Mandate for transactions carried out with the associates of:

- (a) Tan Pei Hong, Alex (Chen Peifeng), the Executive Director, Chief Executive Officer and substantial shareholder of the Company;
- (b) Tan Theng Hong, Amos, a substantial shareholder of the Company; and
- (c) Chiu Joon Sun (Zhao Junsheng), an Executive Director of the Company.

It is anticipated that the Company may, in its ordinary course of business, provide or obtain the categories of services set out in paragraph 6 of this letter from the associates of (i) Tan Pei Hong, Alex (Chen Peifeng); (ii) Tan Theng Hong, Amos; and (iii) Chiu Joon Sun (Zhao Junsheng) (“**Contemplated Associates**”).

The Contemplated Associates are the following persons:

- (a) Tan Koo Chuan, the father of Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos;
- (b) any companies in which Tan Pei Hong, Alex (Chen Peifeng), Tan Theng Hong, Amos and/or their immediate family (directly or indirectly) have an interest of 30% or more; and
- (c) OneWealth Development Pte. Ltd. (“**OneWealth**”).

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

For the avoidance of doubt, Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos are siblings and Tan Koo Chuan is their father. As a result, (i) Tan Koo Chuan and (ii) any companies in which Tan Pei Hong, Alex (Chen Peifeng) and Tan Theng Hong, Amos and their immediate family (directly or indirectly) have an interest of 30% or more are “interested person” within the meaning of Chapter 9 of the Catalyst Rules.

OneWealth is a Registered Fund Management Company (“**RFMC**”). As a RFMC, OneWealth may carry out the business of fund management in Singapore on behalf of not more than 30 qualified investors (as defined in the SF(LCB)R), of which not more than 15 may be collective investment schemes, closed-end funds, or limited partnerships, and the total value of the assets managed by OneWealth shall not exceed S\$250 million. RFMC will not be involved with retail investors. As at the Latest Practicable Date, Chiu Joon Sun (Zhao Junsheng), Executive Director of the Company, owns 100% of OneWealth. Consequently, OneWealth is an “interested person” within the meaning of Chapter 9 of the Catalyst Rules.

6. CATEGORIES OF INTERESTED PERSON TRANSACTIONS

The Interested Person Transactions to which the IPT General Mandate will apply relate to the Group’s provision to and/or obtaining from Contemplated Associates recurrent transactions of a revenue or trading nature or which are necessary for its day-to-day operations (but not in respect of the purchase or sale of assets, undertakings or businesses).

The categories to which the IPT General Mandate shall apply are set out below.

(a) Property management services pursuant to the Group’s Property Management Business

The first category of Interested Person Transactions relates to both the provision to and/or obtaining from Contemplated Associates the property management services pursuant to the Group’s Property Management Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in section 3.2 of the Circular).

(b) Project management services pursuant to the Group’s Property Development Business

The second category of Interested Person Transactions relates to both the provision to and/or obtaining from Contemplated Associates the project management services pursuant to the Group’s Property Development Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in section 3.2 of the Circular).

(c) Financial investments services

The third category of Interested Person Transactions relates to both the provision to and/or obtaining from Contemplated Associates the financial investments services in the normal course of the Group’s Financial Investments Services Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in section 3.2 of the Circular).

(d) Sales and marketing services for projects of the Group pursuant to its Property Business and Financial Investments Services Business

The fourth category of Interested Person Transactions relates to both the provision to and/or obtaining from Contemplated Associates the sales, purchase and marketing services for the Group’s projects pursuant to its Property Business and Financial Investments Services Business (subject to the Shareholders’ approval for the Proposed Diversification at the EGM, as described in section 3.2 of the Circular).

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

7. GUIDELINES AND REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS UNDER THE IPT GENERAL MANDATE

Any proposed Interested Person Transaction between the Company and Contemplated Associates shall be subject to the following IPT Guidelines and Review Procedures:

A. Review Procedures

To ensure that all future Interested Person Transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders, subject to the IPT Review Procedure Thresholds (as defined herein) as set out in paragraph 7B of this letter, the following procedures will be implemented by the Group for any Interested Person Transaction with any Contemplated Associate:

Obtaining of services

- (a) When obtaining services from any Contemplated Associate, the management of the Company shall obtain at least 2 other quotations from unrelated third parties for the same or substantially similar type of services, contemporaneously in time, for comparison.
- (b) The management shall, prior to the obtaining of services from any Contemplated Associate, ensure that the fees and terms of the services offered to the Company are not less favourable as compared to the quotations obtained from unrelated third parties, after taking into account relevant factors including, but not limited to:
 - (i) (in relation to the Property Business) track record, reputation, preferential access to projects and buyers, cost savings, preferential rates or discounts, credit terms, project schedule, speed of mobilisation, complexity and availability of resources for the implementation of projects under the Property Business, where relevant; and
 - (ii) (in relation to the Financial Investments Services Business) track record and reputation of the investment manager, relevant risk-reward profile of the investments, prevailing fees payable for similar investments, size and composition of the investments, tenure of investments, historical performance of the investments and preferential rates, where relevant.
- (c) In circumstances where it is impractical or impossible to obtain comparable quotations of contemporaneous transactions of similar or substantially similar type of services due to the nature of the services to be obtained from the Contemplated Associates, any 2 of the Chief Financial Officer or the Directors with no interest, direct or indirect, in the Interested Person Transactions will take such necessary steps which would include but not be limited to (i) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided by the Contemplated Associates are fair and reasonable and in accordance with general industry practice, and (ii) evaluate and weigh the benefits of and rationale for transacting with the Contemplated Associates, taking into account relevant factors including, but not limited to:
 - (i) (in relation to the Property Business) track record, reputation, preferential access to projects and buyers, cost savings, preferential rates or discounts, credit terms, project schedule, speed of mobilisation, complexity and availability of resources for the implementation of projects under the Property Business, where relevant; and

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

- (ii) (in relation to the Financial Investments Services Business) track record and reputation of the investment manager, relevant risk-reward profile of the investments, prevailing fees payable for similar investments, size and composition of the investments, tenure of investments, historical performance of the investments and preferential rates, where relevant.

Provision of services

- (d) When providing services to any Contemplated Associate, all Interested Person Transactions will be carried out at the prevailing market rates or fees charged by the Group for the same or substantially similar type of services and on terms which shall be no more favourable than the usual commercial terms extended to other unrelated third party customers. The management of the Company shall ensure that any such provision of services shall be conducted in accordance with the Group's usual business practices and pricing policies, consistent with the usual margins or fees extended by the Group to unrelated third parties for the same or substantially similar type of transactions, after taking into account relevant factors including, but not limited to:
 - (i) (in relation to the Property Business) customer requirements, complexity and availability of resources required for the provision of services, creditworthiness, project schedule, duration of contract and preferential rates or discounts, where relevant; and
 - (ii) (in relation to the Financial Investments Services Business) size and composition of the investments, tenure of investments and preferential rates, where relevant.
- (e) In circumstances where the prevailing market rates or fees are not available, any 2 of the Chief Financial Officer or the Directors with no interest, direct or indirect, in the Interested Person Transactions will take such necessary steps which would include but not be limited to (i) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided to the Contemplated Associates are fair and reasonable and in accordance with general industry practice, and (ii) evaluate and weigh the benefits of and rationale for transacting with the Contemplated Associates, taking into account relevant factors including, but not limited to:
 - (1) (in relation to the Property Business) customer requirements, complexity and availability of resources required for the provision of services, creditworthiness, project schedule, duration of contract and preferential rates or discounts, where relevant; and
 - (2) (in relation to the Financial Investments Services Business) size and composition of the investments, tenure of investments and preferential rates, where relevant.

B. Review Procedure Thresholds

The following thresholds shall apply to any Interested Person Transaction between the Company and Contemplated Associates (the "**IPT Review Procedure Thresholds**"):

- (a) Where the value of each Interested Person Transaction is less than 3% of the Group's latest audited NTA, the Interested Person Transaction shall require the prior approval of the Chief Financial Officer or a Director (or equivalent persons), who does not have any interest, direct or indirect, in the transaction;
- (b) Where the individual or the aggregate value of the Interested Person Transaction(s) is equal to or more than 3% but less than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) shall require the prior approval of any 2 of the Chief Financial Officer or the Directors (or equivalent persons), who do not have any interest, direct or indirect, in the transaction(s); and

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

- (c) Where the individual or the aggregate value of the Interested Person Transaction(s) is equal to or more than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) shall require the prior approval of the Audit Committee. For avoidance of doubt, the Audit Committee shall review and approve the latest and all such subsequent Interested Person Transactions in that particular financial year.

The IPT Review Procedure Thresholds balance the need for efficiency in the conduct of business on the one hand and the need to safeguard the interests of the Independent Shareholders on the other. The Audit Committee will consider the revision of the IPT Review Procedure Thresholds as and when necessary and appropriate.

C. External and Internal Audit Safeguards for Interested Person Transactions with Contemplated Associates

The annual external audit plan of the Company shall incorporate a review of Interested Person Transactions entered into in the relevant financial year pursuant to the IPT General Mandate.

The Group's annual or periodic (such period as may be decided by the Audit Committee) internal audit plan shall incorporate a half yearly review of all interested person transactions (including the Interested Person Transactions under the IPT General Mandate) and the IPT Guidelines and Review Procedures for the monitoring of the Interested Person Transactions entered into during the period under review. The internal auditors will report directly to the Audit Committee.

The findings by the external and internal auditors will be submitted to the Audit Committee to ensure, *inter alia*, that the interested person transactions have been carried out on normal commercial terms and were not prejudicial to the interests of the Company and the Independent Shareholders, and that the relevant approvals have been obtained.

D. List and Register of Interested Person Transactions

In addition, the Company will maintain a list of interested persons (which will be updated immediately if there are any changes) and will disseminate the list to the relevant staff of the companies within the Group to enable the identification of the interested persons. The list of interested persons which is maintained by the Chief Financial Officer shall be reviewed by the Audit Committee on a quarterly basis.

A register will also be maintained by the Company to record all interested person transactions, including interested person transactions below S\$100,000 (the "IPT Register"). The IPT Register shall contain the information pertinent to the evaluation of the interested person transactions including, but not limited to, details on the identity of the Contemplated Associates, the amount of the interested person transactions, and the basis (including the comparative quotations and other supporting evidence obtained to support such basis) on which the transactions are entered into. The IPT Register shall be prepared, maintained and monitored by the Chief Financial Officer (who does not have an interest in any of the interested person transactions) and who is duly delegated to do so by the Audit Committee. The Chief Financial Officer will also highlight any discrepancies or significant variances from the Group's usual business practices and pricing policies to the Audit Committee.

E. Review of the Audit Committee

The Audit Committee shall, on a quarterly basis, review the interested person transactions in the IPT Register and the internal control procedures on interested person transactions (including the Interested Person Transactions under the IPT General Mandate) to ensure that the interested person transactions were conducted on normal commercial terms and were not prejudicial to the interests of the Company and the Independent Shareholders and that the IPT Guidelines and Review Procedures have been complied with.

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

The Audit Committee shall determine if the IPT Guidelines and Review Procedures are adequate and/or commercially practicable in ensuring that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. It shall take into account all relevant factors (quantitative and non-quantitative). The relevant supporting documents or such other data as may be deemed necessary by the Audit Committee, shall be made available to the Audit Committee when so requested. In the event that a member of the Audit Committee is interested in any such transaction, he/she will abstain from participating in the review and approval process in relation to that particular Interested Person Transaction.

Pursuant to Rule 920(1)(b)(vii) of the Catalist Rules, if during any of its periodic reviews, the Audit Committee is of the opinion that the IPT Guidelines and Review Procedures are inappropriate or not sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders, it will, in consultation with the Board, take such actions as it deems proper in respect of such guidelines and review procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from the Independent Shareholders, where applicable, based on new guidelines and review procedures for the Interested Person Transactions. During the period prior to obtaining a fresh mandate from Shareholders, all transactions with interested persons will be subject to prior review and approval by the Audit Committee.

The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources or advisers (such as an independent financial adviser) or valuers to provide additional information, advice or opinion pertaining to the Interested Person Transactions approved or under review or to be advised on whether the IPT Guidelines and Review Procedures are appropriate and sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders and the outcome of such review, where applicable, shall be submitted to the Audit Committee and documented.

Any member of the Audit Committee who is not considered independent in respect of the Interested Person Transactions under the IPT General Mandate shall abstain from voting on any respective resolution and/or abstain from participating in the Audit Committee's decision during its review of the IPT Guidelines and Review Procedures or during its review or approval of any Interested Person Transactions.

The Board will also ensure that all disclosure, approval and other requirements on the Interested Person Transactions, including those required by prevailing legislation, the Catalist Rules and accounting standards, are complied with.

8. DISCLOSURE OF INTERESTED PERSON TRANSACTIONS

The Company will announce the aggregate value of the Interested Person Transactions conducted with each Contemplated Associate pursuant to the IPT General Mandate for each financial period which the Company is required to report on pursuant to Rule 705 of the Catalist Rules and within the time required for the announcement of such report in accordance with Rule 920(1)(a)(ii) of the Catalist Rules.

Disclosures will also be made in the annual report of the Company of the aggregate value of the Interested Person Transactions conducted with Contemplated Associates pursuant to the IPT General Mandate during FY2019, and in the annual reports for the subsequent financial years during which the IPT General Mandate is in force in accordance with Rule 920(1)(a)(i) of the Catalist Rules.

APPENDIX A: LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RELATION TO THE IPT GENERAL MANDATE

9. VALIDITY PERIOD OF THE IPT GENERAL MANDATE

The IPT General Mandate will take effect from the passing of the ordinary resolution relating thereto at the EGM, and will (unless revoked or varied by the Company in general meeting) continue in force until the date on which the next AGM of the Company is held or is required by law to be held, whichever is the earlier.

Approval from Shareholders will be sought for the renewal of the IPT General Mandate at the next AGM and at each subsequent AGM subject to satisfactory review by the Audit Committee of its continued application to the transactions with interested persons.

10. OPINION

In arriving at our opinion in respect of the IPT General Mandate, we have considered, *inter alia*, the IPT Guidelines and Review Procedures set up by the Company, the role of the Audit Committee in enforcing the IPT Guidelines and Review Procedures for the Interested Person Transactions under the IPT General Mandate and the rationale for and benefits of the IPT General Mandate to the Group.

Having regard to the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the IPT Guidelines and Review Procedures for determining the transaction prices of the Interested Person Transactions as set out in section 4.2.4 of the Circular, if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Catalist Rules as well as for the use of the Recommending Directors in their consideration of the IPT General Mandate.

Whilst a copy of this letter may be reproduced in Appendix A to the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of NCF in each specific case, except for any matter in relation to the IPT General Mandate. Our opinion is governed by and construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly,
For and on behalf of
Novus Corporate Finance Pte. Ltd.

Andrew Leo
Chief Executive Officer

Huong Wei Beng
Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

CHEW'S GROUP LIMITED

(Company Registration Number: 201020806C)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Chew's Group Limited ("**Company**") will be held at 9 Kent Ridge Drive, Singapore 119241, Kent Ridge Guild House, Cluny Room, Level 2, on 31 January 2019 at 11.00 a.m. (or soon thereafter following the conclusion or adjournment of the AGM of the Company to be held at 10.00 a.m. on the same day and at the same place), for the purpose of considering and, if thought fit, passing with or without amendment, the special and ordinary resolutions as set out below.

All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 9 January 2019.

Shareholders should note that Ordinary Resolution 2 is conditional upon the approval of Ordinary Resolution 1. If Ordinary Resolution 1 is not passed, then Ordinary Resolution 2 will not be passed. For the avoidance of doubt, Special Resolution 1 and Ordinary Resolution 1 are not conditional upon the passing of any other resolutions.

SPECIAL RESOLUTION 1: THE PROPOSED CHANGE OF NAME OF THE COMPANY TO ONEAPEX LIMITED

That:

- (a) the name of the Company be changed from "**Chew's Group Limited**" to "**OneApex Limited**" and that the name "**OneApex Limited**" be substituted for "**Chew's Group Limited**" whenever the latter name appears in the Constitution of the Company; and
- (b) the Directors of the Company and each of them be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Change of Name and/or this resolution.

ORDINARY RESOLUTION 1: THE PROPOSED DIVERSIFICATION OF BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS AND THE FINANCIAL INVESTMENTS SERVICES BUSINESS

That:

- (a) approval be and is hereby given for the proposed diversification of the Company's core business to include the Property Business and Financial Investments Services Business that involves activities described in Section 3 of the Company's circular to the Shareholders dated 9 January 2019 (the "**Proposed Diversification**"), and any other activities related to the Proposed Diversification;
- (b) subject to compliance with the Catalist Rules of the SGX-ST requiring approval from shareholders in certain circumstances, the Company (directly and/or through its subsidiaries) be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, businesses, investments and shares/interests in any entity that is in the Property Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts and things as they deem desirable, necessary or expedient to give effect to any such investment, purchase, acquisition or disposal; and
- (c) the Directors or any of them be and are hereby authorised to complete and do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 2: THE PROPOSED ADOPTION OF THE IPT GENERAL MANDATE

That, subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules of the SGX-ST, for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested party transactions described in Section 4.2.2 of the Company’s Circular to Shareholders dated 9 January 2019, with any party who is of the class of interested persons described in Section 4.2.1 of the Circular, provided that such transactions are made on normal commercial terms, will not be prejudicial to the interest of the Company and its minority shareholders, and in accordance with the review produces for such interested person transactions as set out in Section 4.2.4 of the Circular (the “**IPT General Mandate**”);
- (b) the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company;
- (c) the Audit Committee of the Company be and are hereby authorised to take such action as they deem proper in respect of procedures and to implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors of the Company, be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT General Mandate and/or the transactions contemplated by this resolution.

BY ORDER OF THE BOARD

Zachary Tan Lian Chye
Non-Executive Non-Independent Chairman
9 January 2019

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member of the Company (other than a Relevant Intermediary) (as defined in Note 2 below) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Such proxy need not be a member of the Company and where there are two (2) proxies, the number of shares to be represented by each proxy must be stated.
2. A member who is a Relevant Intermediary entitled to attend and vote at the EGM is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
 4. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.
 5. The instrument or form appointing a proxy or proxies, duly executed, must be deposited at the Company’s registered office at 80 Raffles Place #32-01 UOB Plaza 1 Singapore 048624, not less than seventy-two (72) hours before the time appointed for holding the EGM.

Personal Data Privacy

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

PROXY FORM

CHEW'S GROUP LIMITED

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

EXTRAORDINARY GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, _____ (Name), _____ (NRIC/ Passport/ Co. Reg. No.)
of _____ (Address)

being a member/members* of CHEW'S GROUP LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or failing him/her (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM of the Company to be held at 9 Kent Ridge Drive, Singapore 119241, Kent Ridge Guild House, Cluny Room, Level 2, on 31 January 2019 at 11.00 a.m. (or soon thereafter following the conclusion of the AGM of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matters arising at the EGM.

All resolutions put to the vote of the EGM shall be decided by the way of poll.

**Delete as appropriate.*

No.	Special Resolution	Number of Votes For**	Number of Votes Against**
1.	To approve the Proposed Change of Name of the Company		
No.	Ordinary Resolution	Number of Votes For**	Number of Votes Against**
1.	To approve the Proposed Diversification of the business of the Company		
2.	To approve the Proposed Adoption of the IPT General Mandate		

** If you wish to exercise all your votes "For" or "Against", please indicate with a "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2019

Total Number of Shares Held	
CDP Register	
Register of Members	
TOTAL	

Signature(s) of Shareholder(s)/ Common Seal of corporate member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of ordinary shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this instrument appointing a proxy or proxies will be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary) (as defined in Note 3 below) entitled to attend and vote at the EGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. Where a member appoints two (2) proxies, the member must specify the proportion of shareholdings to be represented by each proxy. If no such proportion or number is specified, the first named proxy shall be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
3. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the EGM of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.
"Relevant Intermediary" means:
 - (a) a banking corporation licenced under the Banking Act, (Cap. 19), or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 80 Raffles Place #32-01 UOB Plaza 1 Singapore 048624, not less than seventy-two (72) hours before the time set for the EGM of the Company.
6. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act (Cap.50).
9. The Company shall be entitled to reject an instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered into the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM of the Company, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

1st fold here

AFFIX
STAMP

CHEW'S GROUP LIMITED
80 Raffles Place #32-01
UOB Plaza 1
Singapore 048624

2nd fold here

3rd fold here and seal