

CHEW'S GROUP LIMITED

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

COMPLETION 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 "DISPOSAL")

Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the announcements issued by the Company on 9 February 2018, 8 March 2018, 21 March 2018, 23 March 2018, and 12 April 2018 (collectively, the "Announcements").

1. The Board of Directors (the "**Board**") of Chew's Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Announcements and to the circular to the Shareholders dated 26 March 2018 (the "**Circular**"). The Company had duly obtained approval from its Shareholders for:
 - (a) the Disposal; and
 - (b) the Proposed Special Dividend,at the extraordinary general meeting held on 12 April 2018, as announced by the Company on the same date.
2. Further to the Announcements, the Board wishes to announce that the Disposal has been completed on 20 April 2018 (the "**Completion Date**"), following the fulfilment of the Conditions Precedent. In addition to the deposit of S\$2,500,000 that was paid by Huat Lai in cash on behalf of the Purchaser on 9 February 2018, being the date of entering into the Term Sheet, the remaining consideration of S\$8,500,000 was paid by the Purchaser in cash on the Completion Date, thereby satisfying the Consideration of S\$11,000,000.
3. Pursuant to Clause 8.3.5 of the SPA, the Supply Agreement was entered into on the Completion Date.
4. The total cash and bank balances of the Sale Subsidiaries as at 31 March 2018 were S\$42,980,849 ("**Excluded Cash**"). The Excluded Cash, after taking into account a one-off bonus payment of S\$1,059,705 (inclusive of contribution towards the Central Provident Fund) to the employees of the Sale Subsidiaries, was excluded from the Disposal and was retained by the Company in the following manner:
 - (a) S\$40,420,000 was declared as dividend by Chew's Agriculture Pte Ltd to the Company on 26 February 2018; and
 - (b) S\$1,501,145 was returned to the Company by the Purchaser on the Completion Date.
5. With the completion of the Disposal, Chew's Agriculture Pte Ltd, Chew's Engineering Services Pte Ltd, Chew's Group Investment Pte Ltd and Chew's Group Marketing Pte Ltd have ceased to be subsidiaries of the Company with effect from the Completion Date. As Chew's Agriculture Pte Ltd is the operating entity for the Group's business of producing and selling generic and designer eggs, liquid eggs, trading of spent grains and food processing, the Group will cease to operate this business following the Completion Date.

6. The Company is still exploring various options and pending any decision on its future plans, the Group will continue its trading business through its 90% owned subsidiary, Chew's Food International Limited, in the meantime. More information on the Group's future plans will be provided to the Shareholders at the appropriate juncture.
7. The Board further refers to Section 12.7 of the Corporate Governance Report at page 42 of the Company's Annual Report 2017. Following the completion of the Disposal, the whistle-blowing email address of the Company will be changed from "whistle_blowing@chewsegg.com.sg" to "whistleblowing@chewsgroup.com.sg".

BY ORDER OF THE BOARD

Chew Chee Bin
Executive Chairman

20 April 2018

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

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

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