



**CHIP ENG SENG CORPORATION LTD**

Co. Reg. No. 199805196H

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## INCORPORATION OF SUBSIDIARY

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The Board of Directors of Chip Eng Seng Corporation Ltd (the "Company") refers to the announcement dated 11<sup>th</sup> August 2014 titled "Award For Tender For Land Parcel At Fernvale Road, Parcel A & B For Residential Development" (the "Award").

In conjunction with the Award, the Company's wholly owned subsidiary, CEL Development Pte. Ltd. and Unique Residence Pte Ltd have incorporated a joint venture company, Fernvale Development Pte. Ltd. ("FD") on 15<sup>th</sup> August 2014. The initial issued and paid-up share capital of FD is as follows:

<u>Name of Shareholders</u>	<u>Number of shares</u> <u>issued</u>	<u>Amount paid-up for the shares</u> <u>issued</u>
1. CEL Development Pte Ltd	3	\$3.00
2. Unique Residence Pte Ltd	2	\$2.00

The principal activity of FD is that of property developer for the land parcel at Fernvale Road.

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2014.

None of the Directors and, to the best knowledge of the Directors, none of the substantial shareholders or controlling shareholders of the Company, has any direct or indirect interest in the transaction.

Submitted by Chia Lee Meng Raymond, Executive Deputy Chairman and Group Chief Executive Officer on 15<sup>th</sup> August 2014 to the SGX.