



**CHIP ENG SENG CORPORATION LTD**

Co. Reg. No. 199805196H

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**INCORPORATION OF A SUBSIDIARY AND PURCHASE OF A COMMERCIAL CARPARK AND DEVELOPMENT SITE AT 15-85 GLADSTONE STREET, SOUTH MELBOURNE, VICTORIA, AUSTRALIA**

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The Board of Directors of Chip Eng Seng Corporation Ltd (the “Company”) is pleased to announce that the Group has incorporated a wholly owned subsidiary, CES Gladstone (Vic) Pty Ltd (“CES Gladstone”) in Australia and CES Gladstone has entered into a Contract of Sale to purchase a commercial carpark and development site at 15-85 Gladstone Street, South Melbourne, Victoria, Australia (the “Site”). The purchase price for the Site is A\$52,000,000 (the “Purchase Price”).

The purchase of the Site is subject to the approval of Foreign Investment Review Board of Australia (“FIRB”). The settlement date for this transaction is the later of 11 April 2016 or 3 business days after FIRB approval has been obtained.

The Site is predominantly open land and is currently leased as a commercial car park to a car parking operator. The Site is situated in the Montague Precinct of the Fishermans Bend Urban Renewal area. Located between Melbourne’s city centre and Port Phillip Bay, Fishermans Bend is one of the largest urban renewal areas in Australia.

The Site has an area of 5,984 square metres and comes with a town planning permit for 742 residential apartments over three towers with associated street level retail spaces and a number of podium levels of secure car parking (the “Proposed Development”).

The Purchase Price and the Proposed Development will be financed by internal sources and bank borrowings and the Proposed Development 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 2016.

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 Hoon Tai Meng, Executive Director 18 March 2016 to the SGX.