



CHIP ENG SENG CORPORATION LTD
Co. Reg. No. 199805196H

DISBURSEMENT OF CONVERTIBLE LOAN TO CYBINT INTERNATIONAL PTE. LTD.

The Board of Directors (the "**Board**") of Chip Eng Seng Corporation Ltd. (the "**Company**") refers to the announcement made by the Company on 23 December 2019 (*Provision of Convertible Loan to Cybint International Pte. Ltd.*).

Unless otherwise defined, all capitalised terms in this announcement shall have the meaning ascribed to them in the aforementioned announcement dated 23 December 2019.

The Board wishes to announce that as at 10 January 2020, the full sum of the Convertible Loan has been disbursed to CIPL (the "**Disbursement**"). Following the Disbursement, subject to the fulfilment of certain conditions in the Convertible Loan Agreement, the Convertible Loan will be fully converted into ordinary shares of CIPL on the Final Conversion Date. CESE also has the option to convert the Convertible Loan in whole (and not in part) at any time prior to the Final Conversion Date. Following such conversion, the Company (through its wholly-owned subsidiary, CESE) will hold in aggregate approximately 33.33% of the enlarged issued share capital of CIPL (assuming no additional shares in CIPL are issued) and accordingly, CIPL will become an associated company of the Company.

The investment in CIPL is not expected to have a significant impact on the net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2020.

None of the Directors, and to the best of the Directors' knowledge, none of the substantial shareholders of the Company, has any interest, direct or indirect, in such investment, other than through their respective shareholdings and/or directorships, as the case may be, in the Company.

Submitted by Tan Tee How, Executive Director, on 13 January 2020 to SGX